

# **ANNUAL REPORT AND ACCOUNTS**

**1 April 2016  
to  
31 March 2017**



**Leeds and York Partnership NHS Foundation Trust**

**ANNUAL REPORT AND ACCOUNTS  
1 April 2016 to 31 March 2017**

**Presented to Parliament pursuant to Schedule 7  
paragraph 25 (4) (a) of the National Health  
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**PART A  
ANNUAL REPORT  
2016/17**



## SECTION 1.1 – THE PERFORMANCE REPORT (Overview)

### 1.1.1 THE CHAIR'S STATEMENT

I am pleased to present the annual report and accounts for 2016/17 for the Leeds and York Partnership NHS Foundation Trust. This is my first annual report since taking up post as Chair at the beginning of April 2017. Thank you for taking the time to read this document as it gives us an opportunity to showcase the work we have been doing across the financial year; provide information on our financial position; inform you of some of the challenges we face; and outline some of the plans we are developing to improve services over the next few years.

I came into the organisation just as our refreshed Trust Strategy had been agreed. As a Board our next job is to discuss, refine and launch the various plans that will support this Strategy. These will outline the priorities for the next three to five years for clinical services, quality, workforce, estates, and information technology. We will publish these documents in the summer of 2017.

When I was appointed I made a commitment to get out and see for myself as many services as possible. I have been humbled and inspired by the level of dedication, energy and focus I have seen from our staff who strive to provide high quality and safe care to our service users. Evidence of this was the outcome from our July 2016 CQC inspection, which said our staff are “respectful, caring and compassionate”. It also rated 77% of our services as ‘good or ‘outstanding’. Whilst it was disappointing that our overall rating was still ‘requires improvement’, the CQC recognised the hard work that had taken place since the previous inspection in 2014. This is testament to the continuing dedication and commitment of our staff.

We continue to work closely with all our partner organisations to strive to improve services for our shared communities. We have strong and effective links with third sector partners, our commissioners, other local NHS organisations and our local authorities. These partnerships are vital to us and to those we all care for in order to develop services now and in the future. We now have a greater opportunity to work more closely together through the STP (Sustainability and Transformation Plan) which will have an influence over the way we will all work together. Strong and effective working relationships are vital and I would like to thank all our partners for their support, guidance and counsel through the year.

I would like to express my sincere thanks and gratitude to our Council of Governors for its commitment, continued support and constructive challenge. The Council plays a vital role in representing the views of our members (public, service users, carers, staff and other key stakeholders); and holding the Board to account for performance. I very much look forward to working with our governors during my period of office and I am committed to doing all I can to ensure they are able to carry out their role in the most effective way.

Finally, I would like to thank my colleagues on the Board of Directors for their expertise and leadership during the year. I would also like to take this opportunity to thank my predecessor, Frank Griffiths, for his dedicated leadership of the Trust, not least during 2016/17 in leading a number of Board-level appointments. These have resulted in changes to the membership of the Board leaving it in a strong position to see our Trust through any future challenges.

Looking to the year ahead, we are under no illusion that we face unprecedented challenges due to the pressures across the national financial landscape and a growing demand for NHS services. We are confident, however, that we have strong foundations in place and will remain focused on delivering excellent services for our service users.



Prof Sue Proctor  
**Chair of the Trust**

## 1.1.2 THE CHIEF EXECUTIVE'S INTRODUCTION

I am delighted to introduce my first annual report as Chief Executive of Leeds and York Partnership NHS Foundation Trust.

I joined the Trust in September 2016, during a year of change and challenge both for us, and for the wider NHS. I am grateful for the hard work and dedication our staff have demonstrated to overcome these challenges, embrace change and maintain a real commitment to the quality of care we provide. We have so many staff and services to be proud of, not least our Deaf Child and Adolescent Mental Health Service (CAMHS), which was rated as 'outstanding' in our most recent Care Quality Commission (CQC) inspection.

It is vital that we have the right capacity, capability and key partnerships in place to allow us to meet current and future financial and workforce challenges, and to ensure that we continue to deliver the best possible care for those who use our services. As such, 2016/17 has been a period of reflection and refocus which saw us re-imagine our organisational strategy. We used innovative crowd-sourcing technology and face-to-face engagement events to ask the people who use our services, their carers, our staff and our partners to help us co-create our goals and strategic objectives, and develop a list of priorities for action. This work was highly commended in the Best Internal Communications category at the annual Association of Healthcare Communications and Marketing (AHCM) awards in March.

Our new strategy describes what we want to achieve over the next five years and how we plan to get there. It focuses on three key elements - improved outcomes and wellbeing for our service users, a compassionate, highly skilled workforce, and effective and innovative partnerships. As part of this work, we developed a new set of organisational values:

**We have integrity**

We treat everyone with respect and dignity, honour our commitments and do our best for our service users and colleagues.

**We keep it simple**

We make it easy for the communities we serve and the people who work here to achieve their goals.

**We are caring**

We always show empathy and support those in need.

Living these values and bringing our strategy to life will be a key focus for the coming year.

There have been some significant changes to our Board leadership, including new appointments to the roles of chair, chief executive, medical director and chief operating officer. We have commissioned a review of our governance processes and taken significant steps to improve them.

The Trust was rated overall as 'requires improvement' following a CQC inspection in July. The inspection team acknowledged that there had been significant improvements since its last full inspection in 2014, which were reflected in the core service reports and ratings. Seventy-eight per cent of our services were rated good or outstanding. We have been working hard to complete all the actions and tasks outlined in the Action Plan we submitted following the Quality Summit in December 2016, and we are on schedule to have successfully completed the plan by the summer of 2017.

The latest requirements and guidance on learning from deaths have now been published by the National Quality Board and I will be ensuring we implement these fully in the coming months.

Despite increased and on-going risks to our financial position, we have delivered on the control total set by our regulator, NHS Improvement (NHSI), and have received the best score possible for our financial performance. NHSI changed how it measures financial performance and use of resources during 2016 with the implementation of the Single Oversight Framework. The framework aims to make a broader and more inclusive assessment of performance, and the framework score received by an organisation determines the level of support or intervention it will receive from NHSI; scores range from one, (maximum autonomy) to four, (special measures). The Trust's financial performance has been given a

score of one. Overall, the Trust has been scored as a two, (targeted support) because of our 'requires improvement' CQC rating.

It is heartening to see mental health, learning disabilities and the concept of parity of esteem feature heavily within NHS planning guidance and the latest delivery plan for the Five Year Forward View. The Trust's two-year Operational Plan both responds to and aligns our future strategy with the requirements of the planning guidance and our local Sustainability and Transformation Partnership (STP) footprints of West Yorkshire and Harrogate, and Humber Coast and Vale.

The resource implications associated with the aspirations of the Five Year Forward View for Mental Health present a challenge for local and regional commissioners. Our plans therefore are focused on working more closely with our partners across Leeds and the STP footprints to develop services, further improve quality and experience, and bridge the resource gaps.

The Trust is part of an alliance with Bradford District Care NHS Foundation Trust and South West Yorkshire Partnership NHS Foundation Trust as the three lead providers of mental health and learning disability services in West Yorkshire and Harrogate. The alliance is working together to promote parity of esteem between mental and physical health and to ensure the best mental health outcomes for people in the communities we serve. This will be achieved by providers and commissioners working together to develop a local delivery framework for mental health services with clear and consistent care standards across West Yorkshire and Harrogate.

We are also actively seeking new opportunities, through new care models, for tertiary commissioning in the specialist areas of eating disorders, child and adolescent mental health services (CAMHS) and forensic services in collaboration with a range of partners across the Yorkshire and Humber region.

More locally we have been working with primary, secondary and social care partners on neighbourhood teams projects to develop integrated services that are tailored to the needs of our local populations. This work will continue from the initial pilot projects and learning will be shared across the wider Leeds footprint. We are also working with our commissioners and Leeds Community Healthcare NHS Trust to look at how we can provide a more integrated pathway of access to mental health support, which encompasses primary care, Improving Access to Psychological Therapies (IAPT) and community mental health teams.

Collaboration and partnership working will continue to be a key focus of our work in the year ahead.

Finally I would like to reiterate my thanks and appreciation to all our staff, service users and carers for their continued hard work and their on-going commitment, honesty and challenge. Although the wider landscape is challenging we are so very fortunate to be part of an experienced and diverse group of people who are all united in a passion for quality mental health and learning disability services.



Dr Sara Munro  
**Chief Executive**

### 1.1.3 ABOUT OUR TRUST – A BRIEF HISTORY AND STATUTORY BACKGROUND

As part of the NHS and Community Care Act (1990) the Leeds Community and Mental Health Services Teaching NHS Trust was formed on 1 February 1993. This was a self-governing trust providing community, mental health and learning disability services within the Leeds metropolitan area. In 2002 the community services previously provided by the NHS Trust transferred to the PCTs in Leeds, and the Trust was renamed the Leeds Mental Health Teaching NHS Trust; providing only mental health and learning disability services.

On 1 August 2007 NHS Improvement (formally Monitor) authorised us as a foundation trust, and we were formed as the Leeds Partnerships NHS Foundation Trust under the NHS Act 2006. As a foundation trust we continue to provide mental health and learning disability services but are no longer performance managed by the Department of Health.

A further development for our Trust was the acquisition of mental health, learning disability and substance misuse services from NHS North Yorkshire and York and NHS England on 1 February 2012. To reflect the new geographical area in which services were provided we became the Leeds and York Partnership NHS Foundation Trust. However, the services commissioned by NHS North Yorkshire and York transferred to Tees, Esk and Wear Valleys NHS Foundation Trust on 1 October 2015. The Trust still provides Tier 4 and deaf CAMHS and Low Secure Forensic services in York which serve a regional population base and are commissioned by NHS England.

### 1.1.4 STATEMENT OF PURPOSE AND ACTIVITIES OF THE TRUST

We are a provider of specialist mental health and learning disability services. As a teaching trust with strong links to local universities it has a reputation as a centre of excellence for teaching, research and development, partly attributable to the national profiles of a number of our clinicians.

We are also the principal provider of secondary mental health and learning disability services in the city of Leeds. We have developed robust relationships with service users, carers and our partners in the NHS, Local Authorities and third sectors.

We provide services to approximately 781,000 adults in the Leeds areas and specialist services and accept referrals from across the UK. We operate from 123 dispersed sites and employ approximately 2,500 staff and 450 bank staff.

Clinical services are currently delivered across two service directorates:

1. Leeds Care Group which provides adult services and is commissioned by the Leeds CCGs
2. Specialist and Learning Disabilities Care Group which provides mainly NHS England specialist services but with some CCG and Local Authority commissioned services such as learning disabilities.

The Care Quality Commission (CQC) asks us to list our services within a set of pre-determined categories. Using these categories the regulated activities that we are registered to provide are as follows:

- Treatment of disease, disorder or injury
- Nursing Care
- Assessment or medical treatment for persons detained under the Mental Health Act
- Diagnostic and screening procedures
- Personal Care.

More information about the work of the directorates can be found in Part A section 2.2.1 of this Annual Report.

### **1.1.5 OUR STRATEGY**

Our strategic intent set out in our Trust Strategy (2013 to 2018), five-year Strategic Plan (2014 to 2019) and two-year Operational Plan (2014 to 2016) was fully aligned with national policy at the time of writing. However, we have recognised that many significant developments have affected our strategic intent including the publication and emerging implications of the Five Year Forward View, and the development of Sustainability and Transformation Plans (STP) and our place within those plans.

In January 2016 we launched an extensive redesign of our Trust strategy which heavily informed our two-year Operational Plan. Additionally, we have needed to respond to substantial pressures within the mental health system that has seen demand into our services continuing to increase, while our options to discharge people effectively to either primary or social care reducing. National intent and local demands have highlighted the need for us to consider a far more robust and agile strategy for how we and our partners deliver more effective outcomes.

The increasingly challenging financial environment, the projected funding gaps set against an ageing population, and rising demand for both physical and mental health services, are critical drivers informing our strategic direction. This underpins the need for radical transformation aligned to the STP process and in ensuring that we play our part collaboratively in both the Leeds and wider system to achieve this. We must also ensure that mental health and learning disability services are not further disadvantaged by the challenges ahead.

We are delighted to see mental health and learning disabilities and the concept of parity of esteem figure heavily within NHS planning guidance. Our two-year Operational Plan both responds to and aligns our future strategy with the requirements of the planning guidance and local STPs. However, we are mindful of the resource implications required to fully realise the aspirations of the Five Year Forward View for mental health and the challenges this creates for local and regional commissioners. Consequently our plans are focused on working with partners and with commissioners to try and bridge the resource gaps and in trying to better promote parity of esteem between physical and mental health care.

#### **1.1.5.1 Our goals, strategic objectives and priorities**

Our new organisational strategy has used a crowdsourcing approach to the reimagining of our vision, values and strategic objectives. Through extensive staff engagement the organisation developed and agreed a new vision and ambition; three simple goals that describe the outcomes we aspire to; and the values we will work to. They are the three things we believe will help us achieve our purpose and which we are passionate about realising. We have deliberately kept them simple so all our staff can keep a clear focus on them every day and in everything they do.

We have established five strategic objectives in which we develop measures of success we want to achieve over the next five years, with milestones to track our progress. All our measures will continue to be tracked through our governance framework to make sure we are on course to achieve them.

A headline summary of our new strategy on a page can be found below.

Table 1.1A – Our Trust strategy

<b>Purpose</b>	Improving health, Improving lives	
<b>Vision</b>	To provide outstanding mental health and learning disability services as an employer of choice	
<b>Ambition</b>	We support our service users and carers, our staff and the communities we serve to live healthy and fulfilling lives. We want to achieve our personal and professional goals; to live our lives free from stigma and discrimination; and to improve the lives of people with a learning disability and mental ill health	
<b>Our Values</b>		
<b>We have integrity</b> We treat everyone with respect and dignity, honour our commitments and do our best for our service users and colleagues.	<b>We keep it simple</b> We make it easy for the communities we serve and the people who work here to achieve their goals.	<b>We are caring</b> We always show empathy and support those in need.
<b>Our Goals</b>		
1. We work with service users and carers to support their achievement of outcomes and wellbeing.	2. We are an employer of choice with a compassionate and highly trained workforce committed and supported to provide excellent innovative care and support.	3. We work with others to improve health and improve lives through effective, innovative and sustainable partnerships.
<b>Our Strategic Objectives</b>		
1	We will deliver evidence-based, person-centred care that involves people in their recovery, improves their wellbeing and supports re-ablement.	
2	We provide a dynamic, rewarding and supportive place to work.	
3	We focus on innovative partnerships, where we work together as one team, with the communities we serve, and with the partners with whom we can deliver exceptional outcomes.	
4	We are transparent and accountable to the people and partners we work with.	
5	We invest our resources to achieve effective and sustainable outcomes for our service users	

### 1.1.5.2 How we have involved our governors

We have in place a Strategy Committee which is a sub-committee of the Council of Governors. The Strategy Committee is responsible for overseeing the development of the business priorities that underpin our strategy. These are captured in our Operational Plan and five-year Strategic Plan. The committee also has oversight of the process to refresh our strategy, reporting its recommendations to both the Council of Governors and the Board of Directors.

The Strategy Committee includes governor representatives from each constituency with meetings being scheduled to coincide with our strategic planning cycle. Governors are asked to represent the interests of their members, the wider public and / or partner organisation when attending the committee and use their knowledge to inform the content of our future plans and support the achievement of our strategy.

## 1.1.6 OUR VALUES AND BEHAVIOURS

Our values and behaviours describe what attitudes and behaviours we believe are important in achieving our purpose. A key part of our strategy redevelopment has focused on the values and behaviours our staff are committed to deliver. Our charter of values is set out below.

Table 1.1B – Our values and behaviours

Our values	Behaviours that uphold our values
<p><b>We have integrity</b></p> <p>We treat everyone with respect and dignity, honour our commitments and do our best for our service users and colleagues.</p>	<ul style="list-style-type: none"> <li>• We are committed to continuously improving what we do because we want the best for our service users. We consider the feelings, needs and rights of others.</li> <li>• We give positive feedback as a norm and constructively challenge unacceptable behaviour.</li> <li>• We are open about the actions we take and the decisions we make, working transparently and as one team with service users, colleagues and relevant partner organisations.</li> </ul>
<p><b>We are caring</b></p> <p>We always show empathy and support those in need.</p>	<ul style="list-style-type: none"> <li>• We make sure people feel we have time for them when they need it.</li> <li>• We listen and act upon what people have to say.</li> <li>• We communicate with compassion and kindness.</li> </ul>
<p><b>We keep it simple</b></p> <p>We make it easy for the communities we serve and the people who work here to achieve their goals.</p>	<ul style="list-style-type: none"> <li>• We make processes as simple as possible.</li> <li>• We avoid jargon and make sure we are understood.</li> <li>• We are clear what our goals are and help others to achieve their goals.</li> </ul>

## 1.1.7 PRINCIPAL RISKS FOR THE ORGANISATION

Key risks for the organisation are those that have been identified as strategic risks on the Strategic Risk Register. In summary these are:

- A failure to meet deadlines for the implementation of agreed procedures, systems and improvements for all compliance actions notified to the CQC, which may impact adversely on the Trust's rating
- The potential for a cyber-attack, malicious hacking or system virus infection and the detrimental impact on the Trust's ICT infrastructure
- The potential for the Trust not to maintain a strong financial position
- An increasing number of clinical vacancies in Care Services which could adversely impact on the Trust's ability to deliver high quality care
- The failure to recruit or retain sufficient staff at Clifton House and the impact this may have on the ability to continue to deliver the required level of service at the unit
- The impact on the care environment of providing services from premises that are not in direct ownership of Trust
- The workforce not being sufficiently equipped or sufficiently engaged to deliver new models of care
- Being constrained by the lack of an agreed clinical services plan and the potential impact this has on having a clear plan for the use of the Trust's estate
- The failure to achieve 85% compliance for compulsory training
- The impact on staffing levels, working practice and policies and procedures brought about by a change in the law and related regulation due to Brexit.

Each of these risks has an identified executive director and management lead. These risks will be managed through the risk management, risk register and operational planning processes. They will be reported to the Executive Team and Senior Management Group.

Behind each risk is a detailed risk assessment which sets out the controls and mitigations. The strategic risk register is regularly reviewed by the Executive Team and the positive impact of the mitigations assessed.

#### **1.1.8 GOING CONCERN STATEMENT**

After making enquiries, the directors have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt a going concern basis in preparing the accounts.

## SECTION 1.2 – THE PERFORMANCE REPORT (Performance Analysis)

### 1.2.1 MEASURING PERFORMANCE

We have NHS Improvement targets, NHS Standard contract requirements, national and local Commissioning for Quality and Innovation (CQUIN) measures and locally agreed performance and quality measures with our commissioners (referred to in this section as targets and measures).

In 2016/17 we reviewed our performance monitoring process to ensure it could report against the requirements of the Single Oversight Framework which came into effect in September 2016 replacing the NHS Improvement Risk Assessment Framework. This review involved the Performance and Quality Team as well as the Informatics team.

The Integrated Quality and Performance report (IQP) is our internal report that captures performance against our targets and measures. The data in it is reviewed and agreed at the monthly Performance Information and Data Quality Group. This is a new group established in 2016 to ensure that there is an objective oversight of all data produced by the organisation.

The IQP is reported to each of our Board meetings and to our Executive Team and commissioners monthly. It is also a standing agenda item on the newly established Senior Management Group where managers provide an update on performance of their directorates and departments and describe how improvements will be made. In addition CQUIN reports are produced in accordance with the Standard Contract reporting timescales or as agreed with commissioners for local CQUINs.

There are identified leads for each target and measure and they are responsible for ensuring reports are submitted on time and that all relevant actions are completed to achieve performance. Where agreed targets are not met exception reports are produced by the relevant lead / service explaining how they will address the issue and move towards achievement. Where required contractually, Remedial Action Plans are also produced for the commissioners.

We also have regular dialogue with our commissioners and have a reporting schedule to submit performance and quality information to them. We meet on a quarterly basis and have a set agenda which addresses all aspects of performance and quality.

For quarters 1 and 2 of 2016/17 we have achieved the targets and measures that we reported directly to NHS Improvement under the Risk Assessment Framework. For quarters 3 and 4 we achieved the measures we report on as part of the new Single Oversight Framework.

More information about our performance against our targets and measures can be found in Part A section 2.7 of this Annual Report.

### 1.2.2 FINANCIAL PERFORMANCE

#### 1.2.2.1 Overview

The Trust's financial plan for 2016/17 was set to underpin the overall strategic objectives and support the delivery of the operational plan. It was also set in the context of the national strategic position with an imperative to reduce the overall deficit of NHS provider sector. To meet this aim the Trust was set an Income and Expenditure "Control Total" surplus target, inclusive of non-recurrent funding. The surplus target was equivalent to 2% of turnover.

The Trust's plan and actual performance are shown in the table below. This shows the key measures by which we and our regulator assess and monitor performance. The table demonstrates overall a very solid financial performance by the Trust, building on good performances in previous years and helping to maintain an underlying stable position.

Table 1.2A

Revised plan		Outturn	
Income and expenditure surplus	£3.1m (2%)	Income and expenditure surplus	£5.2m (3.2%)
Capital expenditure	£4.3m	Capital expenditure	£3.5m
Cost improvement / efficiency	£2.5m	Cost improvement / efficiency	£2.1m
Use of resources score	1	Use of resources score	1

The Trust's overall level of income and expenditure surplus was much higher than planned, mainly as a consequence of additional non-recurrent income that was received through the Sustainability and Transformation Fund (STF). The STF was allocated to providers in 2016/17 for delivering a contribution to the overall improvement in the financial performance of the whole NHS provider sector. The total STF included in the overall surplus of £5.2m was £2.3m.

The overall financial performance as measured by NHS Improvement, our regulator, is assessed on five key financial metrics which are shown in the table below;

Table 1.2B – Use of Resources Metric

Year ending 31 March 2017	Score	Risk Rating Category
Capital service capacity	2.27	2
Liquidity	97 days	1
Income and expenditure margin	3.2%	1
Variance in income and expenditure margin	1.1%	1
Agency spend	-23.3%	1
<b>Use of Resource Metric Score</b>		<b>1</b>

An overall score ranging from 1 (highest performance / lowest risk) to 4 (lowest performance / highest risk) is calculated based on these five metrics.

#### Capital service capacity

This metric measures our ability to service long-term debt. This is important for the Trust as we have high levels of debt linked to our Private Finance Initiative (PFI) assets.

#### Liquidity

This measures the number of days the Trust can operate and pay day-to-day expenses, after accounting for all outstanding current liabilities. The Trust is in a strong position with this metric currently at 97 days (the prior year was 79 days). This is mainly due to the level of cash balances.

#### Income and Expenditure Margin

This measures the overall surplus as a percentage of operating income. A good minimum surplus is around 1-2% in order to generate cash for reinvestment. The Trust's overall level of income and expenditure surplus was much higher than planned, mainly as a consequence of additional non-recurrent income that was received through the Sustainability and Transformation Fund (STF). The STF was allocated to providers in 2016/17 for delivering a contribution to the overall improvement in the financial performance of the whole NHS provider sector. This income could not be used in the year, it was added to the surplus. However, the additional cash this generated for the Trust can be used on capital investment in future years. The total STF included in the overall surplus of £5.19m was £2,3m.

#### Income and Expenditure Variance

This measures the gap between the planned margin and the actual margin. The Trust over-achieved on the plan so this equates to a good performance.

#### Agency Spend

This metric was introduced in 2016/17 to provide a focus on reducing the excessive cost burden of spending on agency staff nationally. Through a series of measures the Trust reduced spending on

agency from £7m (2015/16) to £4.8m in 2016/17. The Trust performed well against a maximum ceiling (target maximum spend) of £6.2m.

### **1.2.2.2 The Statement of Comprehensive Income (year-on-year)**

The statement of comprehensive income shows a surplus of £5.2 million for the year ended 31 March 2017 (compared to £3.1m in the previous year). As in the previous year, the financial performance reflects a range of non-recurrent factors and exceptional items. These include unutilised reserves and provisions; technical adjustments; additional in-year non-recurrent funding for service changes; and developments, some of which resulted in a level of slippage. It also includes the STF funding of £2.3m, as noted above. After taking into account all of these, the underlying financial position of the Trust is broadly break-even with an underlying risk around Out of Area Treatment (OATs) costs. This is a shared issue and risk that we continue to work with our commissioners to resolve.

#### **Operating income**

Our income for the year reduced to £153.3 million (£166.6 million in 2015/16), which broadly reflects the full-year impact of the transfer of the Vale of York commissioned services to another provider part-way through the previous financial year. It also reflects movements in tariff deflation and the impact of recurrent and non-recurrent funding changes across the years. Income received in respect of service user care activities is predominantly received on a fixed block basis. Some significant development income was received from our specialised services commissioner in respect of national service priorities for Gender Identity and Perinatal services (around £0.7m).

#### **Operating expenses**

The total operating expenses for the year was £143.9 million (£159.4 million in 2015/16), which is a net decrease of just under 10%. This is after taking into account the full-year impact of the Vale of York tender, cost inflation, savings targets and expenditure to match new funding. Staff costs are our single largest operating expense and this decreased by 10% in the year. The Trust made a positive material impact on agency spend during the year as noted above. Expenditure on the purchase of healthcare from non-NHS bodies decreased to £4.7 million during the year (£6.5 million in 2015/16) as a consequence of decreasing numbers of OATs placements.

#### **Cost Improvement Plans (CIPs)**

Each year we are required to meet a level of efficiency savings through the cost improvement programme. Combined cost savings delivered £2.1m (around 1.5% of operating expenses less PFI costs) in the year.

### **1.2.2.3 Capital Expenditure**

The Trust planned to spend around £5m on capital improvements in 2016/17. However during the year, the plan was scaled back as it became clear that the initial plans could not be fully delivered, due to some key dependencies on external stakeholder decisions in relation to longer term service plans. Overall we delivered a level of investment of £3.5m, which was higher than the previous year (£1.9m) and all linked to the key priorities and risks identified by the Trust. The main estate projects included some improvement works on our dementia wards, phase one of a major programme of refurbishments linked to anti-ligature risks across the estate and an expansion of the bed base from 6 to 8 on our perinatal inpatient unit. Information technology investment included completing the e-prescribing system implementation; a large-scale programme to roll out smartphone devices; and other remote access technology to support agile working for community-based staff. Initial work also commenced on the project to re-procure a fully electronic patient record, which will be a major scheme over the next two years.

### **1.2.2.4 The statement of financial position**

The summary of the Trust's overall value shows a net increase in taxpayers' equity of £6.8 million to £67.5 million as at 31 March 2017. This reflects the impact of the surplus generated in the year and the net impact of asset disposals and revaluations. Working capital (current assets less current liabilities) has increased by £3.7 million, of which, the net cash increase was £1.8 million. The surplus cash held at the end of the year was deposited with HM National Loans Fund. It is our policy to deposit any temporary surpluses in cash in low-risk deposit accounts with either United Kingdom commercial clearing banks or the HM National Loans Fund.

### 1.2.2.5 Future financial outlook and risks

The Trust has prepared an operational financial plan for 2017/18, which supports the delivery of the objectives for the year. Due to the significant financial pressure that the NHS provider sector, in aggregate, remains under, individual organisations have again been asked by the regulatory bodies to deliver the most challenging stretching position possible. The Board of Directors has agreed a £3.7 million surplus plan for 2017/18 which includes STF funding of £1m. This requires an overall cost improvement plan of around 2% (£3.3m) and non-recurrent additional savings of £2.7m. This gives the Trust a very challenging plan with an aggregate savings target of around 4% in the year.

Recognising the wider financial challenges of the NHS and social care, the Trust's financial strategy remains focused on supporting the organisation to achieve its goals and maintain a strong stable position, which minimises financial risk. We fully recognise the balance between financial sustainability, service quality and improvement, with the emphasis being to work more collaboratively to ensure system-wide sustainability. The Trust is well placed to support the broader agenda and is in a stable financial position.

### 1.2.2.6 Our exposure to financial risks

#### Price risk

We have a relatively low exposure to price risk. This is for three main reasons. Firstly, salary costs are the single biggest component of our costs and for 2017/18 our financial plans reflect the nationally agreed pay award of 1%. With regard to non-pay our plans assume a similar level to the projected rate of increase in the consumer price index.

Secondly, income assumptions are set out each year through the business and planning arrangements for the NHS, as mandated by the Department of Health. Assumptions made regarding inflationary / deflationary changes have been assumed to be extremely challenging in the future. Finally, most income is received on a 'block contract' basis rather than 'pay as you go' and it is unlikely for the significant part of our income that this will change quickly.

#### Credit risk

This is minimal as the majority of our customers are public sector organisations, in particular NHS organisations.

#### Liquidity risk

Liquidity risk is felt to be low. This is because operating costs are incurred primarily through legally-binding contracts for services provided to clinical commissioning groups and NHS England, which in turn are financed from money received from parliament. Assumptions about future income have been revised to take into account the new market conditions.

#### Cash-flow risk

The main sources of income and expenditure are extremely predictable. The Trust is forecast to retain significant cash and other liquidity resources for the foreseeable future. Cash-flow risk is therefore felt to be low due to the adequate level of cash reserves; and the Trust not having sought a working capital loan facility because we have sufficient working capital. The Trust has modified its capital expenditure plans and has a robust approach to investment appraisal including risk issues.

## 1.2.3 CORPORATE SOCIAL RESPONSIBILITY

### 1.2.3.1 Mental health and art

Arts and Minds run creative projects within our services to promote recovery and wellbeing. They have also undertaken a wide range of activities that enable our service users to participate in the cultural life of our cities. Below are some of the highlights of 2016/17:

- ✓ Arts and Minds invited services to bid for five £1000 grants for creative projects. The successful bids supported the development of:

- A photography project at the Becklin Centre with the healthy living service
- A weaving project with the ENE Community Mental Health Team
- A mosaic project with the recovery and rehabilitation service
- A craft and reminiscence project with the Mount wards 3 and 4
- A graffiti project with Clifton House forensic unit.

40 patients took part in these projects. We distributed a questionnaire to all project participants, and asked them to rate their satisfaction with the project with 80% being 'very satisfied'. Several of the projects have continued, sustained by those services with equipment purchased by the grants and training provided by the artists. Some service users have been discharged from our service but have continued to attend groups run by those artists in the community

- ✓ Arts and Minds have continued to develop partnerships with education providers. Now in its sixth year, students from Leeds College of Music ran music workshops in the older peoples' wards at the Mount. In 2016 the placements expanded to include all wards at the Mount; Hawthorne House ICS and the Yorkshire Centre for Psychological Medicine involving a total of 40 service users
- ✓ Cloth Cat ran a music project at the Newsam Centre forensic unit. The project was funded by profits raised at monthly music nights run in partnership with Inkwell and from the fund-raising efforts of Arts and Minds members
- ✓ Arts and Minds held four successful creative networking events at Live Arts Bistro; East Street Arts, Leeds Central Library, and Wharf Chambers. We also relaunched the 'Culture Club' that meets monthly to arrange trips to see shows and exhibitions. Both of these initiatives enable members to connect with the cultural life of Leeds and build new networks to help sustain their mental health
- ✓ Our sixth Love Arts Festival ([www.loveartsleeds.co.uk](http://www.loveartsleeds.co.uk)) took place in October. The aim of this was raising public awareness of mental health and contributing to a reduction of stigma and discrimination. The main focus for the festival was a conference, the second of its kind for Love Arts Festival. The festival also featured 23 festival events and 17 exhibitions over two weeks. We developed partnerships with 34 organisations (including 11 new ones) and recruited 10 volunteers who supported our events. We made contact with 1500 people who attended events and around 50,000 people who viewed the exhibition by Arts and Minds members
- ✓ The first 'Beyond Festival' was launched in June in partnership with Pyramid of Arts and 14 other partners. The festival was initiated by Arts and Minds and was a response to the Love Arts Festival. The aim was to showcase artwork created by people with learning disabilities.

#### **1.2.4 HUMAN RIGHTS**

Our Trust respects and abides by all human rights legislation. The human rights principles of fairness, respect, equality, dignity and autonomy are detailed within our organisational values. They underpin our strategic objectives and our policies and procedures. Minimum standards are set out within our Equality, Diversity and Human Rights procedure and adherence to these standards and principles are monitored through our governance structure.

#### **1.2.5 SUSTAINABILITY REPORT**

##### **1.2.5.1 Introduction**

As an NHS organisation, and a spender of public funds, Leeds and York Partnership NHS Foundation Trust (LYPFT) has an obligation to work in a way that has a positive effect on the communities we serve.

Sustainability means being smart with our money, making efficient use of natural resources and building healthy, resilient communities. By making the most of social, environmental and economic assets we can improve health both immediately and in the longer term even with the pressures of the rising costs and reducing availability of natural resources.

Demonstrating that we consider both our social and environmental impacts ensures that the legal requirements of the Public Services (Social Value) Act (2012) are met. We acknowledge this responsibility to our patients, local communities and the wider environment by working hard to minimise our footprint. As a part of the NHS, public health and social care system, it is our duty to contribute towards the level of ambition set in 2014 of reducing the total carbon of the sector by 34% by 2020 (from a 1990 baseline) equivalent to a 28% reduction from a 2013 baseline.

### 1.2.5.2 Where Have We Been?

The Trust was formed on 1 February 2012 following the merger of the Leeds Partnership NHS Foundation Trust (LPFT) with the mental health, learning disability and substance misuse services of NHS North Yorkshire and York (NY&Y). We grew from 28 occupied sites to nearly 60, almost doubling our floor space and increasing whole time equivalent employees (WTE) significantly. To date there has been a considerable drive to rationalise our estate and in terms of occupied sites and WTE employees, numbers are almost back to our 2007/8 levels. The table below shows comparative figures.

**Table 1.2C – Gross internal floor space to whole time equivalent staff**

	2007/08	2013/14	2014/15	2015/17	2016/17
Gross internal floor space (m <sub>2</sub> )	58,599	105,692	105,692	105,692	29632
Number of staff (WTE)	2,268	2,955	2,929	2,436	2,375

As a result of the recent rationalisation detailed above and other carbon accounting complexities introduced by the original merger, a line has to be drawn under the original Carbon Management Plans (CMP) produced individually by both Leeds Partnerships Foundation Trust (LPFT) and NHS North Yorkshire and York PCT (NY&Y) which both included carbon reduction targets that were not realised.

Leeds Partnerships' CMP was established following participation in an ambitious programme in 2009 in partnership with the Carbon Trust in order to realise substantial carbon and cost savings. Committing the Trust to a target of reducing its 2007/8 CO<sub>2</sub> emissions by 25% rather than 10% by 2015. NHS North Yorkshire and York PCT also had a CMP in place that was developed in 2010, with a target to reduce CO<sub>2</sub> emissions from its operations by 25% by 2014/15 from 2008/9 levels.

As part of our continued efforts to meet the 2020 reduction target we have chosen 2013/14 as our new base year and calculated all available emissions for the previous LPFT and NY&Y resulting in a total footprint for LYPFT. As part of this work we also rebased the baseline emissions for LPFT & NY&Y, due to the government's removal of the five-year grid electricity rolling average and recalculated the 2007/8 baseline emissions for LPFT, using more accurate data.

### 1.2.5.3 Policies

Our Sustainability Policy is currently being reviewed to ensure it remains effective in driving improvements, aligns with our Trust Strategy and facilitates reductions and improvements that will be detailed under our Sustainable Development Management Plan (SDMP). In order to embed sustainability within our business it is important to explain where in our process and procedures sustainability currently features. This is set out in the table below.

Table 1.2D

Area	Is sustainability considered?
Travel	Yes
Business cases	No
Procurement (environmental)	No
Procurement (Social impact)	No
Suppliers' impact	No

We have included our key objectives for the coming 12 months at the end of this report, detailing what we aim to achieve in this forthcoming year. Moving forward we plan to expand on this and finalise a complete SDMP in the near future for the Board's consideration.

One of the ways in which we measure our impact as an organisation on corporate social responsibility is through the use of the Good Corporate Citizenship (GCC) tool. The last time we used the GCC self-assessment was in January 2015 when we scored 23%. As an organisation that acknowledges its responsibility towards creating a sustainable future, we help achieve that goal by running awareness campaigns that promote the benefits of sustainability to our staff.

Climate change brings new challenges to our business both in the direct effect to the healthcare estates, but also to service user health. Examples of recent years include the effects of heat waves, extreme temperatures and prolonged periods of cold, floods, droughts etc. The organisation has identified the need for the development of a Board approved plan for future climate change risks affecting our area.

We have not currently assessed the social and environmental impacts for the Trust and we have not currently issued a statement on Modern Slavery.

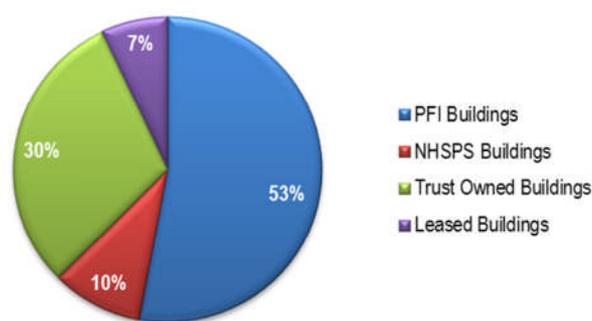
#### 1.2.5.4 Partnerships

The NHS policy framework already sets the scene for commissioners and providers to operate in a sustainable manner. Crucially for us as a provider, evidence of this commitment will need to be provided in part through contracting mechanisms. More information on these measures is available here [www.sduhealth.org.uk/policy-strategy/reporting/organisational-summaries.aspx](http://www.sduhealth.org.uk/policy-strategy/reporting/organisational-summaries.aspx).

#### 1.2.5.5 Our Performance

Due to the changes of the Trust's organisational boundary over previous years there are some reporting complexities that we continue to work to improve.

The pie-chart below shows the breakdown of our total current occupied floor space by building type. 70% of our occupied floor space comprises of buildings that we do not own and do not directly control. This does present the Trust with some challenges in both acquiring accurate scope 3 data and influencing efficiencies. Due to these challenges we have chosen to present only core data for this year's report, which includes our Scope 1 and Scope 2 emissions, and restricting our scope 3 emissions to water consumption only.



In 2014 the Sustainable Development Strategy outlined an ambition to reduce the carbon footprint of the NHS by 28% (from a 2013 baseline) by 2020. The following results demonstrate how we have supported this ambition.

### 1.2.5.6 Energy Performance

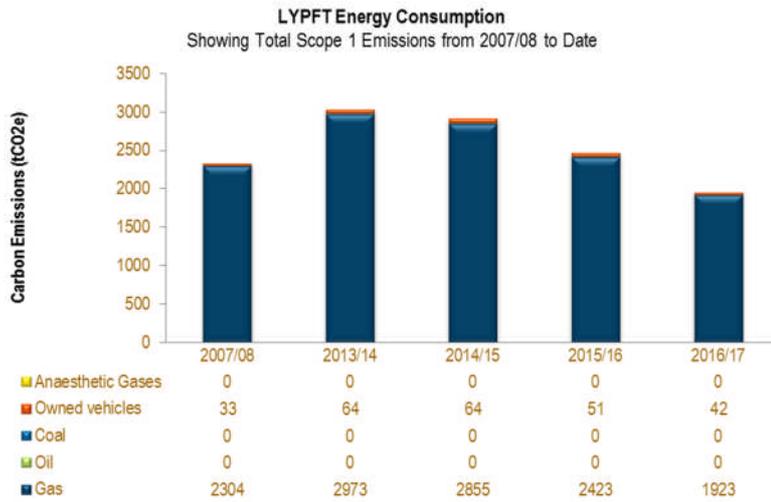
Currently 0% of our purchased electricity comes from renewable sources and this is something we will be looking to investigate in the future. The following chart shows how our rationalisation projects have helped to significantly reduce our total electricity consumption to 17.98% below our 2013/14 base year level.

The Trust spent £339,376 on energy in 2016/17, which is a 34.82% reduction on energy spend from last year, resulting in a reduction of 17.38% on 2007/08 energy costs.

This year we have achieved a total kWh energy reduction of 38.67% compared to our 2013/14 base year largely as a result of economic and environmental successes of our estates rationalisation projects, with significant reductions seen in gas and steam consumption from our York sites. As demonstrated in the charts below.

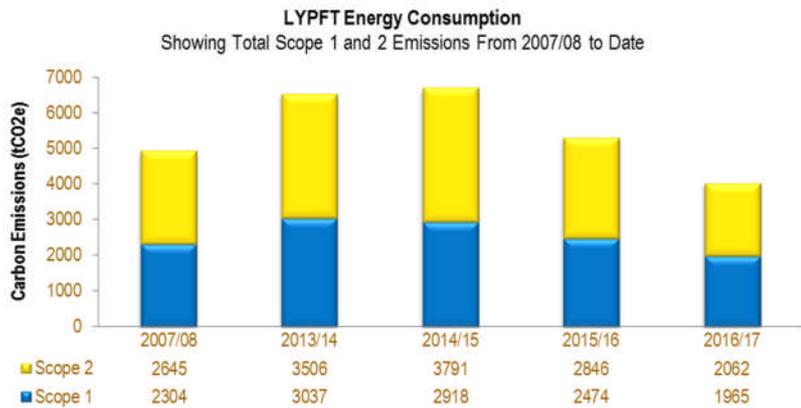
Table 1.2E – Comparative consumption figures

	2007/08	2013/14	2014/15	2015/17	2016/17
Electricity consumed (kWh)	5,667,899	6,759,471	6,540,981	5,605,299	5,004,050
Gas consumed (kWh)	12,439,835	16,153,744	15,432,814	13,135,153	10,450,125
Oil consumed (kWh)	0	0	0	0	0
Coal consumed (Kwh)	0	0	0	0	0
Steam consumed (kWh)	0	2,287,174	2,287,174	1,143,587	0
Total kWh	18,107,733	25,200,388	24,260,969	19,884,039	15,454,175
Percentage reduction on previous year		22.28%			
Percentage reduction on 2013/14 base year			38.67%		
Percentage reduction on 2007/08				14.65%	



Explanatory Notes

**Scope 1 Emissions** include direct Greenhouse gas emissions associated with the combustion of natural gas, coal and oil in both owned and leased buildings, emissions associated with fuel combustion in owned fleet vehicles and fugitive emissions associated with the use of anaesthetic gases

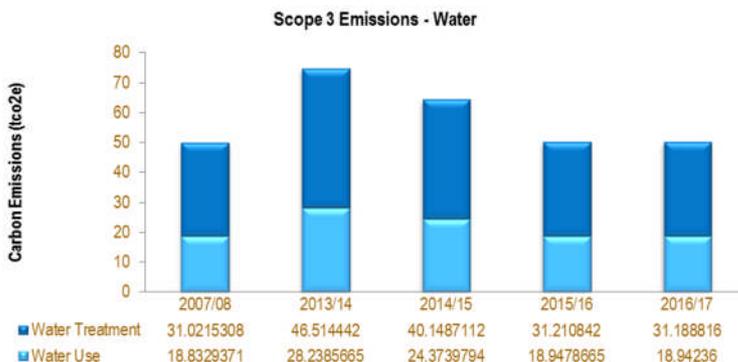
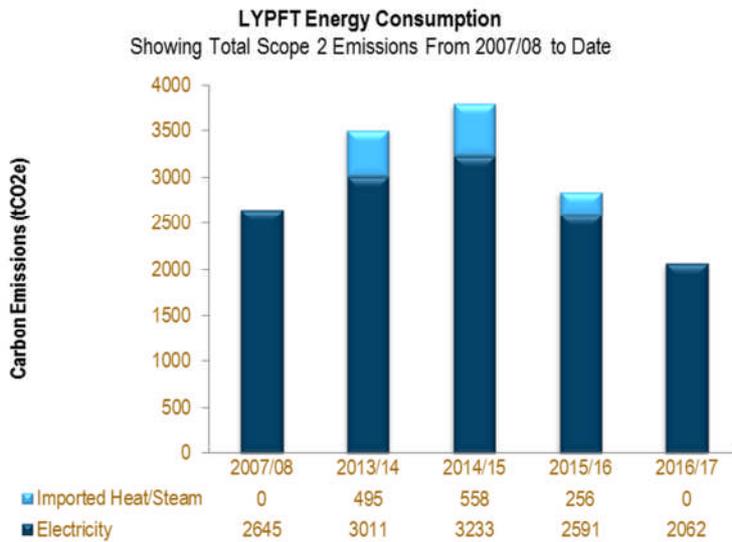


Explanatory Notes

**Scope 2 Emissions** include indirect emissions associated with the generation of purchased electricity consumed.

For this year's reporting, emissions attributed to occupied leased buildings have not been reported separately from owned buildings. This will be amended next year.

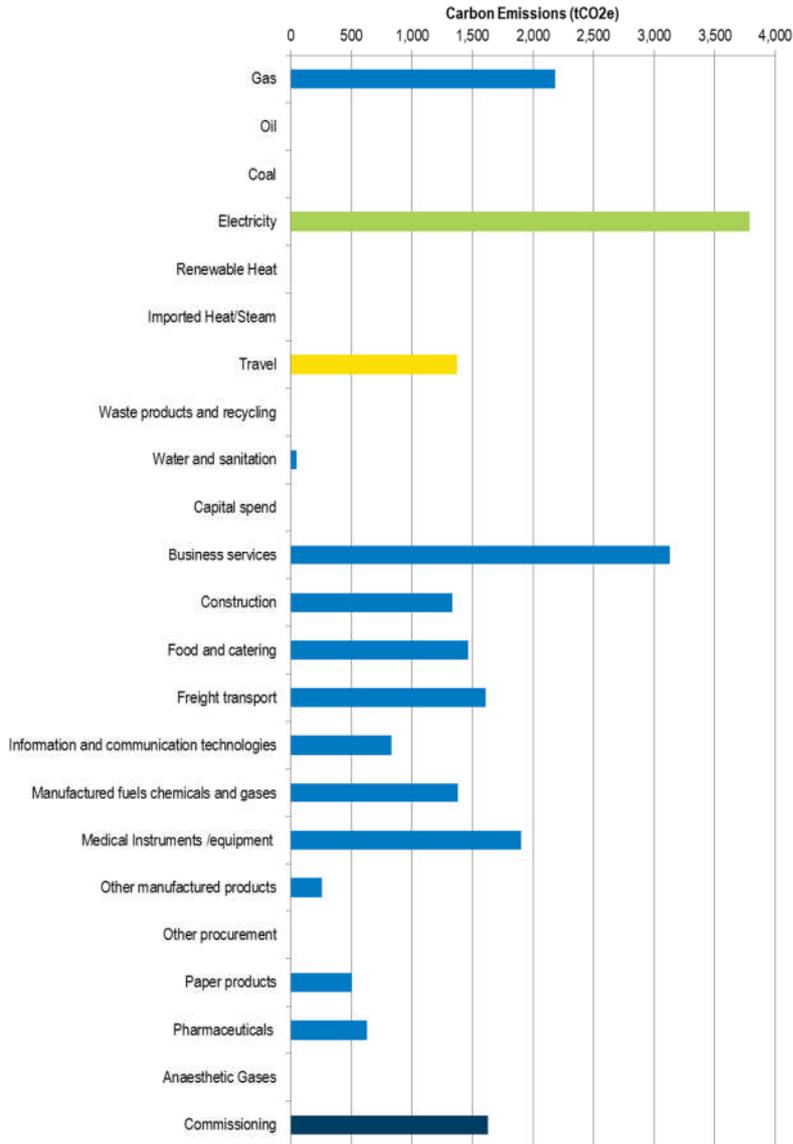
It should be noted that the total kWh figures provided for 2015/16 and 2016/17 currently exclude four newly acquired leased assets for which data is currently not available. As a result kWh reductions quoted below are likely to be slightly lower than reported. (Based on total GIA of acquired assets and average consumption estimates these additions are estimated to conservatively account for no more than 500,000 kWh, which would still provide a 36.53% reduction on 2013/14 totals)



Explanatory Notes

**Scope 3 Emissions** for this year from consumption and treatment of water have been estimated based on the total consumptions from last year and do not currently include newly acquired sites mentioned above.

## LYPFT Carbon Emissions Profile

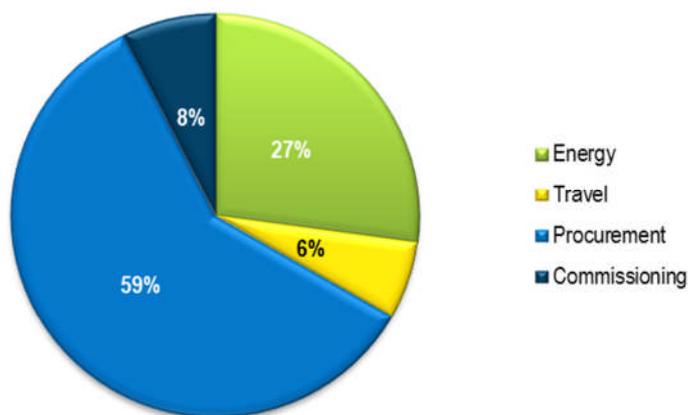


### 1.2.5.7 Our Modelled Carbon Footprint

The information provided in the previous section of this sustainability report uses the ERIC returns as its data source. However, we are aware that this does not reflect our entire carbon footprint. Therefore, the following information uses a scaled model based on work performed by the Sustainable Development Unit (SDU) in 2009/10.

This results in an estimated total carbon footprint of 22,059 tonnes of carbon dioxide equivalent emissions (tCO<sub>2</sub>e); our

### LYPFT Modelled Carbon Footprint by Emissions Profile



carbon intensity per pound is 147 grams of carbon dioxide equivalent emissions per pound of operating expenditure (gCO<sub>2</sub>e/£); and average emissions for mental health and learning disability services is 160 grams per pound. More information on this is available here: <http://www.sduhealth.org.uk/policy-strategy/reporting/nhs-carbon-footprint.aspx>

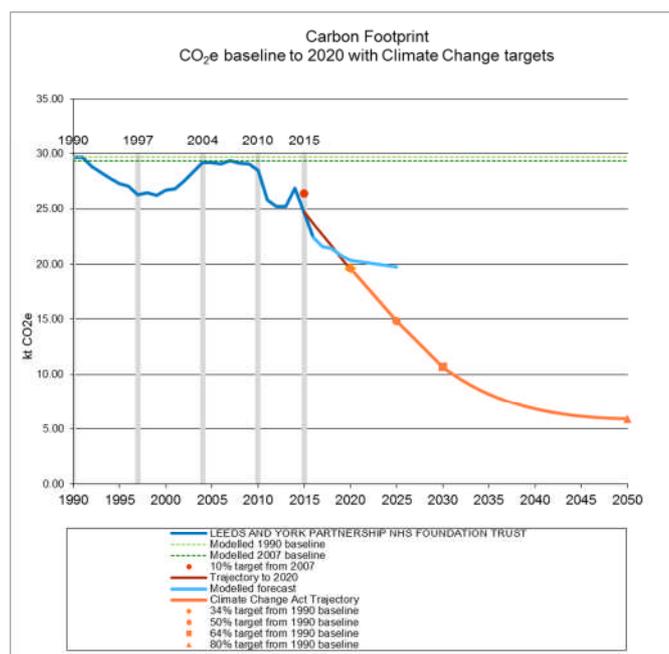
As we continue to improve our data availability and accuracy these figures will be subject to change as we become less reliant on projected emissions source data.

#### 1.2.5.8 Modelled trajectory

The trajectory provided below is modelled on the Trust post-merger with services from NHS North Yorkshire and York. As a result these include a projected, artificially inflated 2007/08 baseline working on the assumption that acquired assets were already in place as of 2007/08.

The trajectory shows that the trust exceed its target to reduce total emissions by 10% from 2007/08 levels by 2015. The modelled 2007/08 baseline emissions total: 29,340 tonnes CO<sub>2</sub>e providing a 10% reduction target of 26,410 tonnes CO<sub>2</sub>e. In 2015, based on the modelled trajectory we achieved a saving of 15.8% from baseline emissions.

According to the trajectory we are on track to further reduce emissions in line with wider NHS reduction targets.



### 1.2.5.9 Our 12-month key objectives for 2017/18

The table below sets out our key objectives for the coming financial year.

Table 1.2F – Key objectives for 2017/18

Key priority	
1	Develop a Board approved Sustainable Development Management Plan detailing our commitment to long term sustainability objectives and carbon reduction targets
2	Ensure sustainability progress is regularly benchmarked against a national standard
3	Ensure governance processes are in place to promote, encourage improvement and drive the principles of sustainability within the Trust
4	Re-evaluate the Trust's environmental impacts, identify risks and opportunities to sustainable progress and ensure compliance with all identified compliance obligations
5	Introduce Sustainable Development as part of the Trust's induction programme for all staff
6	Improve our ability to monitor, measure and analyse our performance

#### CONFIRMATION FROM THE CHIEF EXECUTIVE

As Chief Executive I confirm that the information in this Performance Report (made up of sections 1.1 and 1.2 of this Annual Report) is accurate to the best of my knowledge and that I have properly discharged the responsibilities set out in the NHS Foundation Trust Accounting Officer Memorandum.

Signed .....  ..... Date: 25 May 2017

**Dr Sara Munro**  
**Chief Executive**



## SECTION 2.1 – THE ACCOUNTABILITY REPORT (Directors’ Report)

### 2.1.1 Members of the Board of Directors

At the end of 2016/17 the Board of Directors was made up of seven non-executive directors (including the Chair of the Trust) and six executive directors (including the Chief Executive). The table below lists members of the Board of Directors on 31 March 2017. It shows the name of the Chair of the Trust and Deputy Chair; the Senior Independent Director; the Chief Executive and the Deputy Chief Executive.

Table 2.1A – Members of the Board of Directors on 31 March 2017

NON-EXECUTIVE TEAM		
Frank Griffiths	Chair of the Trust	1 year final appointment from 1 April 2016*
Prof John Baker	Non-executive Director	3-year appointment from 1 September 2016
Margaret Sentamu	Non-executive Director (Dep. Chair until 16 February 2017)	3-year appointment from 6 February 2014 extended until 31 July 2017**
Jackie Simpson	Non-executive Director	3-year appointment from 15 February 2017
Julie Tankard	Non-executive Director (Dep. Chair from 17 February 2017)	3-year appointment from 1 March 2016
Sue White	Non-executive Director	3-year appointment from 7 November 2016
Steven Wrigley-Howe	Non-executive Director (Senior Independent Director from 6 February 2017)	3-year appointment from 17 February 2016
EXECUTIVE TEAM		
Dr Sara Munro	Chief Executive	
Anthony Deery	Director of Nursing, Quality and Performance	
Dawn Hanwell	Chief Financial Officer (Deputy Chief Executive)	
Dr Claire Kenwood	Medical Director	
Lynn Parkinson	Interim Chief Operating Officer	
Susan Tyler	Director of Workforce Development	

\* Frank Griffiths was appointed for a final one-year term of office by the Council of Governors which was with effect from 1 April 2016. This appointment finished on 31 March 2017. Prof Sue Proctor was appointed as the new Chair and took up the post on the 1 April 2017.

\*\* Margaret Sentamu was due to come to the end of her first term as a non-executive director on the 6 February 2017. The Council of Governors agreed to extend this first term until 31 July 2017 in order to cover a period of change in the Chair of the Trust. The appointment process to the up-coming vacancy will be a matter for discussion at the May 2017 Council of Governors meeting.

Non-executive directors (NEDs), including the Chair of the Trust, are appointed by the Council of Governors. This is either through a full open advertisement process where there is a vacancy or where there is an incumbent NED who is eligible and wishes to be considered for re-appointment, there would first be a protected interview process to ensure they still meet the criteria to be appointed for a second term. Should it be necessary to remove either the Chair of the Trust or any of the other non-executive directors this will be done by the Council of Governors. A decision to remove the Chair of the Trust or another non-executive director must be done in accordance with our constitution and only if three quarters of the total number of governors appointed or elected at the time, vote to remove an individual.

The Board of Directors considers that it is balanced, complete and appropriate and this can be seen in the biographical details of Board members as set out in Part A section 3.3 of this Annual Report. All the non-executive directors are considered to be independent in both judgement and character, and the Board has confirmed there are no relationships or circumstances which are likely to affect, or could appear to affect, judgment in this respect.

It is also reported that Frank Griffiths as the Chair of the Trust had no other significant commitments during the year 2016/17 that affected his ability to carry out his duties to the full, and he, therefore, had been able to allow sufficient time to undertake these duties. It is also reported that the incoming Chair of the Trust, Prof Sue Proctor, who took up office on the 1 April 2017 also has no other significant commitments that will affect her ability to carry out her duties to the full.

Further information about the Board of Directors can be found in Part A sections 2.4 and 3 of this Annual Report.

### **2.1.2 REGISTER OF DIRECTORS' INTERESTS**

Under the provisions of the constitution, we are required to have a register of interests to formally record any declarations of interests of members of the Board of Directors. In particular, the register will include details of all directorships and other relevant material interests, which both executive and non-executive directors have declared.

On appointment members of the Board of Directors must declare any interests, which might place, or be seen to place them in a potential conflict of interest between their personal or private interests and those arising from their membership of the Board of Directors. None of the interests declared, conflict with their role as a director.

Members of the Board of Directors are also required to declare any conflict or pecuniary interests that arise in the course of conducting Trust business, specifically at each meeting of the Board, and make an annual declaration of interest to ensure declarations remain up to date.

The register of interests is maintained by the Head of Corporate Governance and is available for inspection by members of the public on request. The Head of Corporate Governance can be contacted by telephone 0113 8555930 or by email [chill29@nhs.net](mailto:chill29@nhs.net).

### **2.1.3 DIRECTORS' STATEMENT AS TO DISCLOSURE TO THE AUDITORS**

For each individual who is a director at the time this Annual Report was approved, so far as the directors are aware, there is no relevant audit information of which the Trust's auditor is unaware; and the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

### **2.1.4 DISCLOSURE FOR THE PAYMENT OF CREDITORS**

We adopt the *Better Payment Practice Code*, which requires payment of all our undisputed invoices by the due date or within 30 days of receipt of goods. Further information can be found in note 9 of the Annual Accounts in Part C of this Annual Report.

### **2.1.5 INCOME DISCLOSURE**

The Trust is required under Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) to ensure that income from the provision of goods and services for the purposes of the health service in England is greater than its income from the provision of goods and services for any other purposes. The Trust has met this requirement in 2016/17. The Board of Directors, therefore, declares that there has been no material income other than from the provision of goods and services for the purposes of the health service in England. Any benefit is re-invested in the provision of those services.

### **2.1.6 COST ALLOCATION AND CHARGING**

The Trust has complied with the cost allocation and charging requirements set out in HM Treasury and the Office of Public Sector Information guidance.

### **2.1.7 POLITICAL AND CHARITABLE DONATIONS**

The Board reports that it has not made any political or charitable donations and that it is not the policy of the Leeds and York Partnership NHS Foundation Trust to make any such payments.

## 2.1.8 QUALITY GOVERNANCE REPORTING

The Quality Report contains a comprehensive review of the quality of our services and the priorities for quality improvement. The Quality Report is in Part B of this Annual Report and the following summary outlines some key points of note.

At the heart of our commitment to quality is a clearly defined system of quality performance management and, as outlined in the Annual Governance Statement, a clear risk management process.

A key part of the Board's assurance on quality and safety is the Quality Committee, which is chaired by a non-executive director (Prof John Baker). The purpose of this committee is to ensure that quality and risks are considered in an integrated way by: seeking assurance on clinical quality; looking at clinical effectiveness, service user experience and service user safety; and being assured of clinical governance and compliance with those standards required for the delivery of high quality care.

The Board of Directors monitors quality through the Integrated Quality and Performance report. It also reviews serious incidents and the learning from the investigation of such incidents. We have a comprehensive clinical audit work-plan covering both national and local audits with information and progress on clinical audit reported to the Quality Committee.

Our strategic plan and the Quality Report detail our approach to quality. We strive to ensure that we have the right people in the right place working to consistent quality standards as articulated in our policies and that this ensures we are well governed and that service users are provided with consistently high quality care. We are also developing a Quality Plan for the Trust for the period 2017 to 2020 in order to give the organisation focus over the next three years on key quality indicators. These indicators will be in addition to those we already need to report on.

In 2016/17 the Trust was inspected between 11th and 15th July 2016 as part of the Care Quality Commission's (CQC) comprehensive inspection programme. The inspection team looked at the Trust as a whole and in more detail at 13 core services, including inpatient mental health wards and community-based mental health, crisis response and learning disability services.

The Trust was given an overall rating of 'requires improvement' (see summary table below).

Table 2.1B – CQC ratings from the 2016 inspection

Five key questions	Overall rating for the Trust
Are services safe?	Requires improvement
Are services effective?	Requires improvement
Are services caring?	Good
Are services responsive?	Good
Are services well led?	Requires improvement
<b>Overall</b>	<b>Requires improvement</b>

The above table does not represent the whole picture, however, as eight of the thirteen services were rated as 'good' and one was rated as 'outstanding'. We were also rated 'good' on two domains (Caring and Responsive) whereas in 2014 the trust was only rated as Good on one (Caring).

The inspectors found many areas of good practice and received many positive comments about care. In particular the Trust received positive feedback on:

- Service user involvement
- Recruitment and use of bank/agency
- Improvements in the complaints process
- Removal of ligature risks
- Focus on estates issues
- Partnership working.

There were a smaller number of areas where the inspectors raised concerns, particularly around the levels of supervision, appraisals and mandatory training, ensuring privacy and dignity in mixed sex environments and physical health monitoring in the community.

The CQC issued the Trust with six regulatory requirements. There were also 'must do' actions and 'should do' actions at service and trust level. The Trust submitted its action plan to the CQC within the agreed timescale, and had its first engagement meeting with the CQC to review its progress in March 2017.

The 2016 CQC full inspection action plan was shared with the Scrutiny Board and our commissioners and is being monitored through a bespoke tracker designed to ensure we can record when actions are completed, the evidence to confirm completion and an audit trail to provide assurance.

The Trust was not subject to any regulatory enforcement action by the CQC during 2016/17.

This full inspection presents us with an opportunity to improve our ratings, both as a Trust and for the individual service areas. It also presents an opportunity to showcase all the good work and innovations that have taken place since the inspectors were last here. However, we note that there is still more work to do and staff continually strive to make services better for our service users and their carers.

There have been no inconsistencies between the Annual Governance Statement and reports arising from the Care Quality Commission reviews and inspections. Further information on the quality of our services and the Board's priorities for improving clinical quality are presented in the Quality Report in Part B of this Annual Report. Information about quality governance can also be found in the Annual Governance Statement in Part A Section 2.9 of this Annual Report.

## SECTION 2.2 – ACCOUNTABILITY REPORT (Service User Care)

### 2.2.1 SERVICE USER CARE

We put the health, safety and wellbeing of our service users and carers at the heart of everything we do. This is borne out in our strategy. Our principal activity is to provide excellent quality mental health and learning disability care that supports people to achieve the very best they can for their health and wellbeing. We work together with our partners to offer service users a choice of interventions and to ensure that our services provide a joined-up pathway of care. This section shows what we have done in respect of the services we provide.

#### 2.2.1.1 Principal activities of our Care Groups

The Care Services directorate includes those services that provide direct clinical care to our service users in Leeds and across Yorkshire and the Humber.

The directorate is made up of two Care Groups, these are:

- Leeds Mental Health Care Group
- Specialist Services and Learning Disabilities Care Group.

This arrangement of services:

- Strengthens clinical leadership and ensures that the care we provide for service users is safe and effective
- Reduces our management costs and ensures that the front-line delivery of care is protected
- Matches the delivery of our care to the local commissioning groups and specialist commissioners who ask us to provide care and services
- Makes sure that our services are grouped together to deliver pathways and packages of care to our service users which reduce delays and are joined up to give people the right care at the right time from the right service.

We will continue to review our service structures to ensure these are delivered with lower overheads and management costs. We will continue to maximise the use of our Private Finance Initiative (PFI) buildings to ensure these deliver the best possible return for service users and lower our estates costs. We will also ensure that the maximum available resources are used in the direct delivery of care to service users and support for their carers.

Our Health Informatics function is undergoing a substantial change to ensure we remain fit for purpose and able to report upon new measures as required. We have set ourselves the target that by 1 April 2017 we will have clinically embedded the routine use of outcome measures in daily practice at review and discharge planning. We are currently piloting the use of both DEMQOL (measure of health-related quality of life for people with dementia) and REQOL (measure of health-related quality of life and recovery for people with mental health conditions) Patient Reported Outcome Measure tools. We will be completing a Health of the Nation Outcome Scale (HoNOS) assessment annually and the CGI tool (Clinical Global Impression Scale) at each review. These measures are classed as CROMs (Clinician Reported Outcome Measures) and will assist our ability to meet our target.

We understand that service users get most benefit from having direct contact with the people who provide their care. We will continue to maximise opportunities to increase the time that clinical staff have to work directly with service users. Working with the Chief Clinical Information Officer and Information Team we have continued to review how we ensure that our information systems support the delivery of high quality and safe care without placing an excessive burden on clinical staff. We have in place a three-year digital roadmap which includes our plans to support the full interoperability of healthcare records.

The Care Groups understand that we are one of many partner organisations who come together to provide support and care to service users. Having and maintaining strong relationships between these organisations will deliver benefits for our service users. We have been a key contributor to the Leeds

Mental Health Framework which has been championed by the Clinical Commissioning Group (CCG) with lead responsibility for commissioning mental health and learning disability services. We will continue to work collaboratively with all partners to plan and deliver joined-up, effective and safe services which are recovery-focused, person-centred, and which deliver positive outcomes for our service users.

We are engaged as a partner in a pilot in the Leeds West CCG to develop a multi-professional team approach in primary care to support those with both physical and mental health needs. Similar pilots are underway within Leeds South and East, and Leeds North CCG. These are exciting developments that give us the opportunity to deliver real parity of esteem for people with mental health problems by providing a range of services wrapped around primary care. The plans are in the very early phase of development, but could become the standard model of care, building on the integrated neighbourhood teams that already provide integrated health and social care for older people.

As a Trust we are supporting and encouraging the development of preventative and wellbeing models of service, and have been integral to developing and informing a variety of Sustainability and Transformation Plan (STP) initiatives and local prototypes. We continue to pursue an agenda that focuses on the needs and requirements of our service users. We are working with commissioners to better understand and inform the strategic plans related to learning disability services, whilst ensuring that the Transforming Care agenda begins to shape the local and regional STPs. We are also mindful that national and local mental health and learning disability services are under increasing demand pressures and although the intentions of parity of esteem are welcomed the funding required for many of the Mental Health Five Year Forward View priorities remains uncertain.

To support the implementation of the STP and to ensure the effective engagement of staff, partners and wider stakeholders we are in the process of redesigning our organisational strategy and associated supporting plans. A substantial part of this work is the development of a Trust-wide Clinical Services Plan aimed at ensuring clinical, financial and operational sustainability of our services are aligned. The task has been to provide a clear vision that informs the development of our workforce, organisational development, estates, and IT plans, while also identifying how we can better collaborate with partners locally and across wider geographic footprints.

Recovery is key to developing sustainable services which place service user needs at the heart of what our services do. We understand that recovery will mean different things to different people and we have embraced this diversity within our recovery programme. In the last year we have focused our attention on the key areas we believe will have the maximum benefit for service users. We have concentrated on making the Care Programme Approach (CPA) recovery plans a more meaningful, inclusive and useful experience, putting service users at the centre of planning their care from beginning to end. We have begun to introduce the health coaching approach into teams to help service users achieve and sustain their personal goals. We are embedding the triangle of care to strengthen the therapeutic alliance between carers, service users and staff, promoting recovery and sustaining wellbeing.

In 2016/17 we have worked extensively with partners to develop a recovery college prototype. A steering group and programme manager was established, while work-streams focused on care-planning, information sharing, course development, and the involvement and prototyping of university recovery college initiatives. An evaluation is now underway and further developments are planned for 2017/18 focused on developing a digital and actual college for Leeds.

We are committed to continuously improving the quality of the services we provide. We have established and embedded our Continuous Improvement Team within Care Services to promote this culture. The team works with clinicians to provide practical support, learning, knowledge and experience to help them to deliver and sustain improvement. They work on projects from small-scale improvements that individual teams would like to implement, to Trust-wide change programmes. Part of this work includes working with service users to understand what they value about our services.

To achieve this continuous improvement, engagement with service users and carers is essential. Our Recovery and Social Inclusion Team has continued to support the Leeds Service User Network (SUN), Your Voice Counts and Your Views meetings. Our Learning Disability and Specialist Services have also continued to develop their approaches to service user and carer engagement. During the coming year we engaged with all of our service users through a Clever Together Your Voice programme which brought crowdsourcing to our clinical and organisational strategy development.

### **2.2.1.2 Leeds Mental Health Care Group**

The Leeds Mental Health Care Group provides a range of acute and community-based services to service users over the age of 18. The range of services includes:

- Community Mental Health Teams
- Care Home Team
- Memory Service
- Crisis Assessment Services
- Intensive Community Services including the Home-Based Treatment Team
- Younger People with Dementia Team
- Psychological and Psychotherapy Services
- Assertive Outreach Team
- Older People's Liaison Mental Health Service (based at St James's Hospital)
- Mental Health Inpatient Services
- Dementia Inpatient Service
- Rehabilitation and Recovery Services
- Healthy Living Service.

#### **Key achievements for the Leeds Mental Health Care Group during 2016/17**

During 2016/17 the Care Group has worked hard to improve the services we provide and to enhance service user experience. Areas for improvement and achievement within the Care Group are listed below.

Throughout 2016/17 we conducted extensive capacity and demand exercises to analyse our activity levels across both community and inpatient settings. Work in the previous year with Mental Health Strategies highlighted that we had an appropriate number of beds for the population we serve; however, we were continuing to see fluctuating rates of out of area placements. We subsequently brought partners together from across the city to participate in an intensive Rapid Improvement Event focusing on improving system flows across our inpatient and community services. The process identified two fundamental issues primarily affecting our community services. Firstly, the increasing number of people at a lower cluster who could be better managed at primary care. Secondly, being the need for partners to better align their discharge supports to our services. Actions from the event were implemented and we have seen a reduction in out of area placements through better discharge arrangements and more intensive community service contacts focused on those with the highest level of need.

Considerable work was undertaken in 2016/17 to reduce Out of Area Treatments (OATs) across the Trust. A rapid improvement approach was applied to acute OATs, which involved planning, the involvement of partners, and an implementation and review process which commenced in September 2016. The impact was evident immediately and this has been sustained throughout the financial year. Continual review of the actions and work-streams has been an ongoing part of the process.

We have continued our development of recovery focused services, including: the implementation of Triangle of Care; Education and Quality in Practice (EQUIP) training has been rolled out across the Trust to increase service user input into care planning; finalised the cluster specifications to include third sector options; implemented a prototype recovery college with Converge, Leeds Mind and Leeds universities; and work is underway to develop a recovery focused framework which increases choice for our service users.

#### **Future priorities for the Leeds Mental Health Care Group**

Our key priorities are closely linked to the delivery of the Leeds Mental Health Framework outcomes which have been collaboratively developed with the Clinical Commissioning Groups (CCG). The framework supports developments and investment and is aligned to the Mental Health Five Year Forward View. We are also committed to working with partners on new models of care and prototypes are underway throughout Leeds. Crucial to this will be the continued investment in and development of community services and alternatives to admission to reduce reliance on inpatient admission. We will focus on better and faster access for service users and on offering wider choice and support in the

community. The Mindwell mental health information portal, which will act as a single point of access for all mental health services in Leeds was launched in September 2016 and is continuing to develop.

A major challenge for all health services will be an ageing population and it is important that our services meet this challenge. Working with our partners, we are seeking to re-establish specialist older peoples mental health services in the community. We want to implement and evaluate a new needs based community model that improves access for people under 65 who are physically frail and improve the physical health of older people with mental health problems. We will train and develop our workforce to have the specialist skills that are needed to support the needs of older people. Through the implementation and evaluation of a new community model for older people we will understand whether our existing bed numbers are at the right level and we hope to reduce reliance on older people's beds in favour of more intensive community support.

We are continuing to work with adult social care partners on a more integrated approach to community service provision. We are reviewing, and will be piloting closer working between our community teams, intensive community services and social care day centres to develop ways that these services can work together better. There are currently some overlaps between services and also some gaps that can be filled through better joint working. This work was paused for a year by new leadership within Adult Social Care but has now restarted and is at an early stage of development.

We will continue with our programme of skills development for clinical staff to ensure that they are able to effectively deliver National institute for Health and Care Excellence (NICE) approved care. Over the last year we have agreed which treatments people should expect to receive from the Care Group. From this we have identified the skills required for staff to deliver this evidence based care and which groups of staff are best placed to do this. This will then inform our training and recruitment strategies.

Other priorities for the Care Group are listed below:

- We do not currently provide Improving Access to Psychological Therapy (IAPT) services, however we are currently working with Leeds Community Healthcare in remodelling the service to more closely align with the single point of access and new ways of supporting primary care mental health to include common triage, navigation, brief assessment and brief intervention through the development of primary care mental health liaison roles
- Early Intervention in Psychosis is provided by a third sector provider in Leeds with our support. We will continue to work with and support the provider to achieve the target
- We will continue to link with partners on the establishment of a crisis cafe, and conduct an evaluation of our new Crisis Assessment Unit
- We will continue to work within the crisis care vanguard to implement the results of the crisis pathway review across West Yorkshire.

### **Risks and uncertainties for the Leeds Mental Health Care Group**

There are a number of risks and uncertainties that face the Care Group in the next year and we recognise that the services we provide are part of a much wider group of partners who support people with mental illness. Increasing demand without any increase in capacity for community and urgent care services is a significant concern for the Care Group. We believe we are putting in place a number of strategies to help mitigate this. We will continue to monitor this over the year and develop strategies as required. Out of Area Treatments represent a risk for the Care Group both in regard to the cost of these placements and reputational risk associated with service user experience. Again, we have a number of mitigating actions in place and will continue to monitor this closely throughout the year.

The Care Group has a number of cost improvement plans to make this year and whilst we believe this is achievable we also recognise that this will need to be carefully managed with service users and partners. To achieve these savings it is fundamental that we have open and honest conversations about the future and our business plans. Through existing groups and meetings the Care Group will continue to have a meaningful conversations with staff, service users, families, carers and other partners with regard to the business plan.

### **2.2.1.3 Specialist Services and Learning Disability Care Group**

The Specialist Services and Learning Disability Care Group is made up of a range of specialist services operating on a local, regional and national basis. These services are:

- Forensic Services
- CAMHS Tier 4 Inpatient Services
- Learning Disability Services
- Eating Disorders Services
- Gender Identity Services
- Liaison Psychiatry
- National Deaf Children and Families Service
- Northern School of Child and Adolescent Psychotherapy (NSCAP) Clinical Services
- Perinatal Services
- Personality Disorder Services.

Our services are delivered across a range of settings in Yorkshire and the Humber and our Deaf CAMHS service operates from Manchester and Newcastle. They are commissioned by a range of commissioners, including national specialised commissioning (NHS England), local CCGs, the Local Authority and Public Health. A number of our services are also delivered through formal partnerships with other agencies.

Each service area is jointly led by a Service Manager / Operational Manager and a Clinical Lead, who are supported by four professional leads representing psychiatry, nursing, psychology and allied health professionals. Due to the range and diverse nature of the services, each service area has their own management and clinical governance arrangements in place, which are overseen and supported by the Care Group Senior Management Team and the Clinical Governance Committee.

Three key cross-care group quality improvement objectives are agreed each year, which are then translated locally into plans that are monitored via the Care Group Clinical Governance Committee.

We are extremely proud of the services that are delivered across the Care Group, and in particular of the evident commitment that is shown across our services to continue to evaluate, develop and innovate, whilst maintaining both the quality of care delivery and the service user and carer experience.

#### **Key achievements for the Specialist Services and Learning Disability Care Group during 2016/17**

During 2016/17 the Specialist Services and Learning Disability Care Group has continued to develop outcome-based services and ensured our services are delivered from accommodation and estate which better meets the needs of service users. This last year has seen the development of robust governance arrangements for services to ensure that we continue to provide safe and effective care.

Gender Identity services have seen a substantial rise in demand in recent years. As one of only a number of national providers we have successfully increased capacity within this service to help reduce in waiting times.

We have also rebranded our Chronic Fatigue Service to improve service access for service users. This was a direct result of listening to, and consulting with, service users on how best to offer new access arrangements.

Our learning disability services have continued to work with commissioners, service users and carers to develop a future model service. We understand the importance of getting this model right and we have spent considerable time completing a comprehensive review of our community learning disability services and are on track to fully implement the new model during 2017/18.

Following a review of urgent care services provided at the Leeds Teaching Hospitals Trust (LTHT), including a review of the Acute Liaison Psychiatry Service, we submitted plans to commissioners to increase capacity into the service. We wanted to ensure that people with mental health problems in acute hospitals receive appropriate and timely care and assessment. Partial additional investment has been made available and we will be working with LTHT to consider how we achieve targets.

The Care Group also focused on three distinct areas of quality improvement in 2016/17. They were agreed following engagement with all staff and were implemented using the principles of service improvement. Each service area tailored their approach to achieving these based on the needs of their service users and staff.

**Area of Quality Improvement 1** – Each service within the Care Group reviewed their current arrangements for supporting and monitoring equality and diversity in access and delivery of care. The review was completed and supported by identifying improvement objectives for implementation throughout the year.

**Area of Quality Improvement 2** – Each service area reviewed multi-disciplinary team working within their areas, critically self-assessing the current effectiveness of this. From this each service has identified appropriate development objectives for the year.

**Area of Quality Improvement 3** – Each service area reviewed their current arrangements for supporting and monitoring carer involvement and feedback within their areas. Plans for improving carer involvement are now being considered for implementation through 2017/18.

### **Future priorities for the Specialist Services and Learning Disability Care Group**

Other priorities for the Care Group are listed below:

- We are a Tier 4 Child and Adolescent Mental Health service (CAMHS) provider but are committed to working with our regional CAMHS Tier 4 service partners to agree our specialist offer within the STP footprint. This includes exploring a partnership Tier 4 option within Leeds and a flexible Psychiatric Intensive Care Unit (PICU) / High Dependency within York
- We have a well-established Section 136 service within Leeds and we are considering how we may develop a Section 136 partnership with Leeds Community Healthcare for CAMHS
- We will be exploring the potential and resource implications of linking our adult eating disorder service in Leeds to CAMHS provision in York and Leeds
- We provide a high quality Perinatal mother and baby unit as an eight bedded regional inpatient service. We will explore the potential to expand this further across the region, while also seeking resources to increase community service provision across the STP footprint.
- The National programme to transform the care for people with learning disabilities set out improvements to drive a system-wide change to enable more people to live in the community with the right support and close to home. To support this national programme our areas of focus will be to reduce the number of Leeds based learning disability assessment and inpatient beds. We will also explore opportunities to redesign and co-locate our inpatient learning disabilities provision. We will also review the need and develop capacity for inpatient locked rehabilitation for people with a learning disability as demand for this provision is increasing.

### **Risks and uncertainties for the Specialist Services and Learning Disability Care Group**

We continue to have discussions with commissioners relating to their future commissioning plans and timescales. Whilst the national procurement process has been planned for some specialist services this has not yet been fully clarified. There is therefore a risk that this uncertainty has the potential to destabilise services and affect future planning. We will continue to have clear communication with services regarding the commissioning process and ensure our plans are flexible enough to take account of the future potential timescales and national drivers.

In order to deliver all the planned developments and improvements we have identified it is important that we have in place enough capacity to do this. Without this capacity plans may not be delivered, timescales not met, and service users and staff will be affected. To avoid this, the Care Group will ensure additional capacity is identified in all plans through workforce planning and that plans are closely monitored for delivery.

The Care Group has a challenging number of cost improvement plans to make this year and whilst we believe this is achievable we also recognise that this will need to be carefully managed with service users and partners. Some service developments will require additional commissioner investment which will be both recurrent and non-recurrent. Failure to achieve this investment may prevent planned developments.

## **2.2.2 SERVICE USER EXPERIENCE**

### **2.2.2.1 Feedback from people who use our services (our service user survey)**

We gather feedback from people who use our services and their carers through a broad range of methods including both local and national surveys.

The national mental health community and inpatient surveys are used by the Care Quality Commission to benchmark our performance in regard to service user experience. We carry out both surveys each year so we can benchmark our performance on a regular basis. The questions that are asked in the national survey have also been included in our customer satisfaction survey, which is now conducted locally in each clinical area following discharge.

The community survey is sent to a random sample of 1,200 service users. Following an intense promotional campaign including posters and regular messages encouraging people to complete the survey, our response rate this year was 29% which matches the national average, but falls short of the 40% national target set by NHS Surveys. This figure equates to 322 usable responses from the random usable sample. Our response rate puts us in the middle quadrant along with 20 other Trusts.

The 2016 inpatient survey was sent to 261 of our service users who were discharged from inpatient services between July and December 2014. Our return was 13% putting us in the middle quadrant on national scores; however, this equates to only 32 people responding which is disappointing compared to last year's figures. Therefore, we should be mindful when acting upon outputs from this survey, and ensure we triangulate with feedback from other sources.

Following the 2016 inpatient survey a management report highlighted a number of key areas of improvement:

- Safety and security of inpatients
- Increasing time available for staff to spend directly with inpatients
- Improving discharge planning, including ensuring that service users and carers and / or their families are fully aware of plans and understand what to do in a crisis.

Areas for improvement include the way service users are welcomed onto the wards and the initial explanation about ward routines. It is important that staff ensure service users are orientated to the wards. Actions from the two surveys are picked up as part of the care service's cycles of business.

Work has taken place with the Service User Network (SUN) this year to improve the information given regarding medication and side effects, and what support is available beyond our services. This links into the on-going recovery project. This year has seen the launch of locality based SUNRAY groups; involvement and peer support groups held out in the community. There is also a group running at the Becklin Centre, to provide a step down approach for those ready for discharge.

The latest CQC inspection found that our service user involvement appeared to be embedded in the Trust's approach to shaping its services and informing care and treatment. We have a well-established service user network which involves service users in research projects, delivering training and recruitment. Service users told us that they were involved in their care and most of those spoken to during the inspection told us they could have a copy of the care plan if they wanted one.

Since the last inspection we have worked hard to demonstrate a commitment to improving and developing our services, using information from the local population and through working in partnership with other statutory, third-sector and voluntary organisations. Service user involvement is embedded in our approach to shaping services and informing care and treatment. Following a thorough audit project

we can confirm that service users are able to feedback on the majority of wards through weekly community or forum meetings. However, we acknowledge that within some community services staff, service users, relatives and carers all find collecting and providing feedback more of a challenge. Work is taking place here to improve this.

### **2.2.2.2 Dealing with concerns – our complaints and PALS service**

Complaints management training has continued throughout 2016/17 with a total of 19 sessions having been delivered to date. The training is designed to assist those staff who are most likely to receive complaints as part of their day-to-day work. The course is aimed to help staff feel more confident in the handling of complaints, and provide participants with a better understanding of the complaints process, as well as an appreciation of how complaints are used as a positive influence in improving services. Uptake of training continues to rise and a total number of 155 staff have now been trained. Training is evaluated after each session with positive comments being received.

Feedback from the complaints management training highlighted the need for additional customer service training for front-line support staff. As a result, a 'customer services' training package was developed with a total of nine training sessions having been delivered to date. The training is particularly aimed at front-line support staff as they represent the face of the Trust, are the ones that visitors / callers speak to first and the people that staff go to for information. Sometimes they are the only point of contact. The training course has been designed to highlight the significant difference that strong customer service skills can make to the service user experience of our Trust.

Overdue complaints are continually monitored by the PALS, Complaints and Claims Manager with any areas of concern being raised with the Director of Nursing, Professions and Quality (the executive lead for complaints) and the Interim Chief Operating Officer. The Complaints team regularly prompt investigators and Associate Directors for progress updates on all complaints; but there are still occasions when capacity issues delay the final approval stage. We are working on ways to reduce any delays.

Learning from complaints is disseminated through the CLIP (Complaints / Compliments, Litigation, Incidents and PALS) report via Clinical Governance Councils. Learning is also shared through Lessons Learnt bulletins, or through Ward Managers and Community Managers Forums and the Consultants Committee, when appropriate.

Staff often receive compliments by letter or card, verbally or as a gift. They are thanked for treatment, care and support, or complimented on the environment of the ward. As a result, there is now a formal process in place for recording compliments as a key measure of service user experience. Since April 2016, over 350 compliments have been formally recorded.

We have established a Complaints Review Team which meets on a quarterly basis. This group is made up of people with lived experience who quality assess a random selection of complaints and responses. The learning is used to influence the quality of the final response and enable both the Complaints Team and the investigator to put themselves in the shoes of the person making the complaint. It also provides assurance that the complaints responses are service user centred.

The PALS team are supported by two social work students from Leeds Beckett University who have commenced a 90-day placement as part of their MA in social work. This has created more capacity for promoting the service and increasing activity. As a result, the PALS team has been hosting 'PALS surgeries' within our inpatient units (Becklin Centre; Newsam Centre; The Mount; Clifton House; and Mill Lodge). These have been very positively received.

### **2.2.3 HOW WE ARE USING OUR FOUNDATION TRUST STATUS TO IMPROVE CARE**

We were authorised as a foundation trust in August 2007. Since this time we have made good use of the benefits of our foundation trust status.

We are committed to working in partnership with the people who use our services, their families and friends and our external partners, to develop and improve our services. In addition to the people we have traditionally worked with, being a foundation trust brings the added benefit of being able to recruit a

membership of people who are passionate about mental health and learning disability services. From that membership we are then able to form a Council of Governors; people elected and appointed, who have an important role in helping us to develop the way in which we deliver services.

During 2016/17 we have used the benefits of being a foundation trust in the following ways:

- Members and governors continued to help develop the shape and direction of our services in Leeds, York and North Yorkshire, especially around future scoping and planning of priorities through the strategic planning process
- Members and governors made a significant contribution to re-imagining our strategy
- Governors re-appointed 3 non-executive directors (Prof John Baker, Sue White, Jacki Simpson) each for a three-year period and appointed our new Chair (Prof Sue Proctor) also for a period of three years
- Governors were fully involved in reviewing the priorities for the Operational Plan through the Strategy Committee and Council of Governors' meetings
- Using the twilight '*Everything you need to know about...*' sessions, members have been informed about the care and support for people who use our services. This means they are able to understand what we do and help promote positive mental wellbeing
- At the Annual Members' Day in September 2016 we rounded off our *This is Me* campaign, by looking at how we attach labels to people that can re-inforce stereotypical views and stigma. We also held our Annual Members' Meeting on that day and the Board of Directors and Council of Governors made reports to members and the public on the work and our performance over the previous financial year.

#### **2.2.4 REGULATORY RATINGS AND PERFORMANCE**

Information about our performance against key healthcare targets, our performance against national standards and targets, and actions resulting from Care Quality Commission inspections can be found in Part A section 2.7 and the Quality Report in Part B of this Annual Report.

For locally agreed targets these are reported in the Integrated Quality and Performance Report and are shared with the commissioners, the Board of Directors, the Executive Team and the Senior Management Group. We also have quarterly Quality and Performance meetings with the commissioners and progress against targets and measures is discussed and where necessary remedial action plans are agreed.



## SECTION 2.3 – ACCOUNTABILITY REPORT (Stakeholders)

### 2.3.1 PARTNER RELATIONS

#### 2.3.1.1 Provider partnerships programme

Our five-year strategy for 2013 to 18 emphasised partnerships including the benefits to our service users and the improved outcomes we could deliver when working with partners across all agencies. These provider partnerships have included service initiatives spanning rehabilitation and recovery, older people's service provision, and initiatives focused on employment and accommodation support. We have also been integral to a number of new models of care within Leeds and outside of the organisation. These have included wrap-around service developments in which we have worked with primary care and other partners, both statutory and third sector, to deliver more integrated approaches to care and support.

Our new strategy further develops our commitment to partnerships, where one of our three goals is to work with others to improve health and improve lives through effective, innovative, and sustainable partnerships. Supporting this approach, and ensuring fairness to delivery we launched a Partnership Procurement Framework in 2016. The Leeds Mental Health Provider Framework has been developed by the Trust for the delivery of current and future mental health service models in Leeds. The framework consists of older people's services, counselling, primary care and secondary services. The intention of the framework is to provide a foundation in which we jointly pursue and develop new service initiatives and new models of care with multiple partners. This will make it quicker and easier for us to work with a select group of quality providers without having to go to full market procurement every time we develop something new.

The procurement framework has been further complimented by a memorandum of understanding agreed between the Trust, commissioners, and third sector partners. The memorandum has proposed a provider steering group led by the Trust aiming to improve service user outcomes by better aligning the work of all organisations and services.

We are continuing to work with Adult Social Care in Leeds to consider how best our services and the work of the day support services could be aligned. The ongoing integration programme has identified a number of areas where we could work closer together to provide service users with more choice and a more streamlined service model. Many of the principles and recommendations from service users and stakeholders began in 2016/17. We will look to develop a more integrated approach in 2017/18.

As a specialist provider of mental health and learning disability services we are continuing to seek opportunities across the West Yorkshire to either collaborate on back-office functions or develop approaches to service provision. We are now developing closer partnerships with Bradford District Care NHS Foundation Trust, and South West Yorkshire Partnership NHS Foundation Trust to create a clear vision and plan for the delivery of the Five Year Forward View for Mental Health. Emerging work includes specialised commissioning provision such as: Child and Adolescent Mental Health Services (CAMHS) and how we can collaborate on acute and crisis provision within Leeds and across the patch; low secure forensic services and how we can more closely align our services with a wider NHS pathway across West Yorkshire and developing our expertise in peri-natal and eating disorders further afield.

#### 2.3.1.2 Partnerships that promote understanding of mental health and learning disabilities

We have a number of partnerships that help to promote a better understanding of mental health and learning disabilities. This helps in our campaigning work to reduce stigma. Some of these are as follows:

- Our annual membership campaigns raise awareness of mental health and learning disabilities. In 2016/17 our campaign was #thisisme and focused on identity; the labels we are given through our circumstances such as roles, responsibilities, gender, culture, sexuality or diagnosis. We wanted to highlight why and how labels are important in mental health. Diagnostic labels can influence far beyond their clinical applications; a diagnosis can quickly

become a label by which an individual is defined and judged, which in turn can become a catalyst for stigma and discrimination. Conversely, labels are not always constraining but can be created and owned to form a more positive identity. We gathered up as many labels as we could in 2016/17 and explored the issues of how they impact on our sense of self and wellbeing.

- Love Arts Leeds holds an annual festival every October. The now well-established festival is held across multiple sites in Leeds, with a programme of events aimed at raising awareness and encouraging understanding around mental health and learning disabilities through art and creativity.
- Working in partnership with Leeds Mind and Converge we have created the first key element of a Discovery College recovery initiative for Leeds. The initiative will create a process in which service users are offered choices and information on the availability of motivational and supportive courses. The Mindwell information portal has been a key enabler in digitising, and making information available about support and options for service users this year. Building on the work of Converge in York, we have also developed partnerships with three of the Universities in Leeds that have led and delivered three prototype programmes in early 2017. These have been a huge success with service users, students, and the universities and we will be looking to further develop this element of the programme next year.

## **2.3.2 PUBLIC AND SERVICE USER INVOLVEMENT**

### **2.3.2.1 Consultations**

There have been no formal consultations in 2016/17; however, work has taken place particularly around the development of services for older people. A number of informal consultations took place to assist with the development of the new model, which is now to be implemented. It has been agreed that as part of the implementation plan there will be a service user and carer steering group for the project and this will be formed with many of the people who were engaged in the consultations.

### **2.3.2.2 Public and service user involvement activities**

This year the Involving People procedure was subjected to an internal audit. One of the changes made was that its name changed to the Patient Experience Procedure. Most of our clinical teams have a recognised lead for involvement and regularly hold local community meetings to keep service users and carers up to date with local events and plans for our wards and services. These meetings are an opportunity for the people who use our services to give feedback and share ideas about issues such as information on the wards, signage, and plans to develop the services. A new involvement forum has been formed bringing together key staff and service users to support and further enable co-production of much of our service improvements. This meeting sits alongside the Service Improvement Forums.

The Patient Experience and Engagement Team has a programme of public events throughout the year. The 'Building your Trust' model provides the organisation with an opportunity to consult with people who use our services, and allows us to seek people's views about proposed service improvements and developments. This has focused chiefly on the development of the older people's service model.

'Everything you need to know about...' events are designed to inform our members about aspects of mental health and learning disability. They are led by some of the senior clinicians in the Trust and provide an opportunity for services to showcase their work. Areas that have been covered this year include dementia, medication and learning disability services.

Recruiting members to represent the local community continues to be a priority for the Council of Governors. Assurance is provided to the Council of Governors by a membership report. Because membership recruitment is essential for a foundation trust, each year the Patient Experience and Engagement Team works with our governors to create a themed membership campaign which provides a framework for conversations about becoming a member. It also focuses on an aspect of mental health care and provides an opportunity to showcase some of our services. In 2016/17 we have continued to maximise on our campaign 'This is Me!' which aims to challenge the labelling of people with Mental Health and Learning Disability conditions, and celebrate the unique individuality of each person.

## SECTION 2.4 – ACCOUNTABILITY REPORT (Remuneration Report)

### 2.4.1 INTRODUCTION

In company law, a senior manager is defined as ‘those persons in senior positions having authority or responsibility for directing or controlling the major activities of the foundation trust’. For the purpose of this Remuneration Report, the description ‘senior managers’ will refer to the executive directors and the non-executive directors holding positions on the Board of Directors.

The Remuneration Report contains details of senior managers’ remuneration and pensions. It also sets out further information about the appointment of those senior managers (where these have occurred during 2016/17) as required by NHS Improvement’s Code of Governance. The narrative and figures in this report relate to those individuals who have held office as a senior manager during 2016/17.

The information in sections 2.4.2 to 2.4.5 below is not subject to audit by our external auditors, PricewaterhouseCoopers LLP; however, they will read the narrative to ensure it is consistent with their knowledge of our Trust.

### 2.4.2 ANNUAL STATEMENT ON REMUNERATION

Remuneration for senior managers is determined by two committees: the Remuneration Committee (a sub-committee of the Board of Directors made up of all the non-executive directors), which is responsible for the remuneration relating to the executive directors; and the Appointments and Remuneration Committee (a sub-committee of the Council of Governors made up of a majority of governors), which is responsible for the remuneration relating to the non-executive directors.

#### 2.4.2.1 Remuneration Committee – executive directors’ remuneration

With regard to executive directors, the overarching policy of the Remuneration Committee is to follow the guidance given by our regulator in determining their pay and terms of service. However, when awarding percentage pay uplifts (‘cost of living awards’) the committee is always mindful of the percentage awarded to staff, which is used as a benchmark. Further considerations when determining the overall level of remuneration is the differential between the amount paid to an executive director and their direct reports and also prevailing salaries within the wider NHS. There is no performance-related pay in any director’s current contract of employment. Where a salary requires review, a benchmarking exercise may be requested to make comparison against other similar NHS organisations and similar posts.

In respect of the ‘cost of living award’, in 2016/17 executive directors were awarded a 1% uplift which was in line the percentage awarded nationally to public sector staff. This was agreed at the Remuneration Committee meeting in April 2016 and applied with effect from 1 April. The committee will continue to be mindful of the uplift awarded to staff and comply with any national guidance issued by the government in respect of annual pay awards and uplifts when determining what should be awarded to the executive directors in the future.

Further information about the work of the Remuneration Committee can be found in section 2.4.4.2 below.

#### 2.4.2.2 Appointments and Remuneration Committee – non-executive directors’ remuneration

The overarching policy for the remuneration of the non-executive directors is to award levels of remuneration in line with other comparable NHS foundation trusts, using benchmarked figures from a number of sources. It will also award annual percentage uplifts to non-executive directors and will be mindful of the amount awarded to NHS staff on Agenda for Change.

Due to the prevailing economic climate no benchmarking exercise has been undertaken in 2016/17. further there was no plan to make any increase to the non-executive directors’ remuneration other than

any cost of living uplift. In respect of the 'cost of living award', in 2016/17, non-executive directors were awarded a 1% uplift which was in line the percentage awarded nationally to public sector staff. This was agreed at the Appointments and Remuneration Committee meeting held on 4 May 2016, ratified by the Council of Governors at its subsequent May meeting and applied with effect from 1 April 2016.

## 2.4.3 SENIOR MANAGERS' REMUNERATION POLICY

### 2.4.3.1 Future policy tables

This section describes the policy narrative relating to the components of the remuneration packages for executive and non-executive directors. Each of the components detailed in these tables supports the Trust in respect of its long-term strategic objectives as shown below.

- **Strategic Objective 2** – We provide a dynamic, rewarding and supportive place to work (putting in place a benchmarked remuneration package to fairly remunerate our Board; recognising the liability and responsibility they carry; attracting an appropriately skilled and qualified senior team to lead the organisation)
- **Strategic Objective 4** – We are transparent and accountable to the people and partners we work with (having remuneration policies in place to ensure the remuneration packages are not subjective but are evaluated, reviewed and applied appropriately).

Table 2.4A – Remuneration policy for executive directors

Element	Policy
Salary	The overarching policy of the Remuneration Committee is to follow the guidance given by our regulator in determining executive director pay and terms of service. However, when awarding percentage pay uplifts ('cost of living awards') the committee is always mindful of the percentage awarded to staff and Agenda for Change bandings, which is used as a benchmark. A further consideration when determining the overall level of remuneration is the differential between the amount paid to an executive director and their direct reports.  The maximum amount that can be paid will be determined by the Remuneration Committee. There are no annual increments associated with executive directors' salaries.
Taxable benefits	This will, in the main, be any mileage rates paid which are over and above the HMRC threshold or any other benefit in kind applicable at the time of remuneration.
Annual performance related bonuses	The Trust does not pay any annual performance-related bonuses to executive directors. (Section 2.4.3.2 below sets out the process for performance appraisals (not linked to pay)).
Long-term performance-related benefits	The Trust does not pay long-term performance related bonuses to executive directors. (Section 2.4.3.2 below sets out the process for performance appraisals (not linked to pay)).
Pension-related benefits	Pension rights for executive directors are determined by the NHS Pension Scheme.  The maximum payable (by the employee and the employer) is determined by the NHS Pension Scheme.
Percentage uplift (cost of living increase)	The Remuneration Committee will decide if the executive directors are to be awarded a percentage uplift for each financial year and what level this will be. In doing this the committee is mindful of the uplift awarded to staff and will also comply with any national guidance issued by the government in respect of annual pay awards and uplifts. The maximum that could be paid will be guided by the national pay awards made to staff on Agenda for Change bandings.
Other remuneration (e.g. relocation expenses)	Any other expenses paid to executive directors would be paid in accordance with the relevant Trust policy. There are no items of other expenditure which are applicable only to executive directors.

**Table 2.4B – Remuneration policy for non-executive directors**

<b>Element</b>	<b>Policy</b>
Fee payable	<p>The non-executive directors are paid a remuneration which has been approved by the Appointments and Remuneration Committee and ratified by the Council of Governors. This amount will, from time-to-time, be benchmarked against other similar foundation trusts with the findings presented to the Council of Governors for consideration. Any in-year uplift will be in recognition of 'cost of living' increases and will be based on (if not equal to) that paid to staff on Agenda for Change bandings.</p> <p>The maximum amount that can be paid will be determined by the Appointments and Remuneration Committee. There are no annual increments associated with non-executive directors' remuneration.</p>
Additional fees for any other duties	<p>The remuneration for the Chair of the Trust recognises the specialist role and extra time commitment over and above that of the other NEDs. The Chair of the Audit Committee is also remunerated differently in recognition of the specific skills and responsibility this role requires. All other non-executive directors are remunerated equally.</p> <p>The maximum amount that can be paid will be determined by the Appointments and Remuneration Committee.</p>
Percentage uplift (cost of living increase)	<p>The Appointments and Remuneration Committee will decide if the non-executive directors will be awarded a percentage uplift for each financial year and what level this will be. In doing this the committee is mindful of the uplift awarded to staff on Agenda for Change when determining the level that should be awarded to the non-executive directors.</p>
Travel	<p>Travel costs will be reimbursed through the payroll and will be supported by a completed travel claim form supported by appropriate receipts. Costs incurred will be reimbursed on a like-for-like basis with mileage being paid at a fixed pence per mile.</p>
Pension contributions	<p>No pension deductions are made from non-executive directors' remuneration and no contribution is made to a pension fund in respect of any non-executive director.</p>
Other remuneration	<p>Any other expenses paid to non-executive directors would be paid in accordance with the relevant Trust policy. There are no items of other expenditure which are applicable only to non-executive directors.</p>

It should be noted that paragraph 7.2 of the executive directors' contract allows the Trust to recover any monies owed at any time via deductions from salary.

There have been no new components of the remuneration packages for either executive or non-executive directors since the 2015/16 Remuneration Report. There have also been no changes to the policy relating to the existing components of the remuneration package since the last Remuneration Report.

It should be noted that employees of the Trust are paid on Agenda for Change (AfC) bandings with an incremental scale; executive and non-executive directors are paid on a fixed salary which has no element of incremental scale. The level of salary paid to those on AfC is determined nationally, whereas the remuneration of the executive and non-executive directors are determined by the Remuneration Committee and the Appointments and Remuneration Committee respectively.

#### **2.4.3.2 Performance and appraisals**

Performance and appraisals are not linked to remuneration and there is no element of performance related pay in senior managers' salaries or remuneration packages.

The Board of Directors is committed to continuous improvement and it undertakes a formal evaluation of its performance from time-to-time. We have in place a 360-degree evaluation process which is used to evaluate the effectiveness of the Board and its members with outcomes being fed into the appraisals of individual members.

The appraisal of individual Board members identifies strengths and good performance, and also areas for development. The appraisal looks at an individual's development needs, which inform tailored development plans.

Objectives are set for each executive director in conjunction with the Chief Executive (the Chief Executive's objectives are set in conjunction with the Chair of the Trust). These objectives are monitored through a series of one-to-one meetings (appraisals) which take place at various points in the year. The Chair of the Trust carries out the appraisal of the Chief Executive against agreed objectives and appraisals for the other executive directors are carried out by the Chief Executive against their agreed objectives. The Chair of the Trust will contribute to the appraisal of each executive director in regard to their performance as a member of the unitary Board. This will be fed back to the Chief Executive for inclusion in their overall appraisal.

The Remuneration Committee will be assured that a process is in place and has been completed for each executive director including the Chief Executive.

Appraisals of the non-executive directors are carried out by the Chair of the Trust with the Senior Independent Director conducting the appraisal of the Chair of the Trust. The Appointments and Remuneration Committee and the Council of Governors will be assured that a process is in place and has been completed for each non-executive director including the Chair of the Trust.

All executive and non-executive directors must undertake compulsory training. Furthermore, regular Board of Directors workshops focus on significant and priority areas for development.

#### **2.4.3.3 Policy on payment for loss of office**

The executive directors' contract contains details of the grounds on which a directors' contract may be terminated. The contract also contains information about the circumstances under which PILON (payment in lieu of notice) may be paid.

Payment for loss of office does not apply to non-executive directors as they are appointed not employed.

#### **2.4.3.4 Statement of consideration of employment conditions elsewhere in the Trust**

In determining the level of salary for executive director posts the Remuneration Committee will take into account the level of salary for direct reports to ensure there is sufficient differential to take account of the level of liability and responsibility that Board members have. The Trust has not consulted with staff when setting this remuneration policy.

#### **2.4.3.5 Policy on notice periods**

All contracts for executive directors are permanent and therefore open-ended. The period of notice for each executive director is set out in their contract and is normally three months. Non-executive directors do not have a contract of employment, they have an appointment letter. Non-executive directors are not subject to employment law or regulations and as such do not have a formal period of notice.

### **2.4.4 ANNUAL REPORT ON REMUNERATION**

This section includes a description of the work of the committees that are involved in the appointments of both the executive and non-executive directors and which determines their respective salaries and remuneration. These are:

- The Remuneration Committee (a sub-committee of the Board of Directors) which is made up of all the non-executive directors and is chaired by the Chair of the Trust
- The Appointments and Remuneration Committee (a sub-committee of the Council of Governors) which is made up of a majority of governors and is chaired by the Chair of the Trust
- The Nominations Committee (a sub-committee of the Board of Directors) which is made up of a mix of executive and non-executive directors (NEDs) and is chaired by the Chair of the Trust.

### 2.4.4.1 Directors' contracts

Details of the contract start date for the Chief Executive and other members of the Executive Team who have served during 2016/17 are set out in the table below. As at 31 March 2017 no director has given notice to leave the Trust.

**Table 2.4C – Executive directors who have served during 2016/17**

Name	Title	Date appointment effective from	Date left the Board position
Dr Sara Munro	Chief Executive	5 September 2016	N/A
Jill Copeland	Chief Operating Officer and Interim Chief Executive*	1 April 2011	26 September 2016
Anthony Deery	Director of Nursing, Performance and Quality	3 November 2014	N/A
Dawn Hanwell	Chief Financial Officer (Deputy Chief Executive)	1 August 2012	N/A
Dr Jim Isherwood	Medical Director	1 September 2012	30 September 2016
Dr Claire Kenwood	Medical Director	1 March 2017	N/A
Dr Wendy Neil	Deputy Medical Director	1 October 2016	28 February 2017
Lynn Parkinson	Interim Chief Operating Officer	1 January 2016	N/A
Susan Tyler	Director of Workforce Development	1 January 2012	N/A

\* Jill Copeland went on secondment and therefore left the Board with effect from 26 September 2016 to NHS Improvement. Jill formally left the Trust on the 31 March 2017.

Details of the non-executive directors who have served during 2016/17 are shown in the table below along with details of their current terms of appointments.

**Table 2.4D – Non-executive directors that have served during 2016/17**

Name	Date appointment effective from	Term	Date appointment ends or ended	Number of the term of office
Frank Griffiths (Chair of the Trust)	1 April 2016	1 year *	31 March 2017	Third
Prof John Baker	1 September 2016	3 years	31 August 2019	First
Margaret Sentamu	6 February 2014	3 years (extended) **	31 July 2017	First
Jacki Simpson	15 February 2017	3 years	14 February 2020	First
Julie Tankard	1 March 2016	3 years	28 February 2019	Second
Dr Gill Taylor	6 February 2014	3 years	5 February 2017	Second
Prof Carl Thompson	3 July 2013	3 years (extended) ***	31 July 2016	First
Sue White	7 November 2017	3 years	6 November 2020	First
Keith Woodhouse	7 November 2013	3 years	6 November 2016	Second
Steven Wrigley-Howe	17 February 2016	3 years	16 February 2019	Second

\* Frank Griffiths was appointed for a final one-year term of office by the Council of Governors which was with effect from 1 April 2016. This appointment finished on 31 March 2017. Prof Sue Proctor was appointed as the new Chair and took up the post on the 1 April 2017.

\*\* Margaret Sentamu was due to come to the end of her first term as a non-executive director on the 6 February 2017. The Council of Governors agreed to extend this first term until 31 July 2017 in order to cover a period of change in the Chair of the Trust. The appointment process to the up-coming vacancy will be a matter for discussion at the May 2017 Council of Governors meeting.

\*\*\* Prof Carl Thomson was due to come to the end of his first term as a non-executive director on the 3 July. As chair of the Quality Committee the Council of Governors agreed to extend his appointment until 31 July to cover the period of our CQC inspection.

### 2.4.4.2 The Remuneration Committee (a sub-committee of the Board of Directors)

The Remuneration Committee is a sub-committee of the Board of Directors. It is established in accordance with the NHS Act 2006 and operates in accordance with the principles in NHS Improvement's Code of Governance for Foundation Trusts. It is chaired by the Chair of the Trust and is made up of all the non-executive directors. A copy of the Terms of Reference for this committee is available on our website.

The committee has a key role in providing the Board with assurance that: executive directors are rewarded appropriately for their contribution; appropriate contractual arrangements are in place; and that

there is a process for assessing the performance of individual executive directors against their agreed objectives and that plans are in place to address any areas of development.

The Remuneration Committee is independent of the executive arm of the Board of Directors. However, during 2016/17 the committee took advice from the following officers of the Trust: Dr Sara Munro, Chief Executive who provided information in regard to the remuneration for executive directors; Susan Tyler, the Director of Workforce Development in relation to employment matters; and Cath Hill, the Head of Corporate Governance, who provided secretariat support and advice on matters of governance. In taking this advice the committee was mindful of any potential conflicts of interest and has dealt with these appropriately as evidenced in the minutes.

The Remuneration Committee has a key role regarding the recruitment and retention of appropriately qualified and experienced executive directors by agreeing appropriate reward packages. It exercises scrutiny of the remuneration of executive directors in regard to both salary and other areas of reward (as may be applicable) and has a core responsibility to ensure compliance with all legal obligations and regulations in respect of the employment and remuneration of executive directors.

During 2016/17 the committee met on nine occasions with membership being made up of the Chair of the Trust and six non-executive directors. Its main areas of business were discussions in regard to:

- 1% uplift (cost of living rise) for the executive directors in line with that paid to staff on Agenda for Change
- Secondment arrangements for Jill Copeland the Chief Operating Officer
- Acting-up payment for the Deputy Medical Director whilst carrying out the duties of Medical Director
- The salary package for the incoming Chief Executive, Medical Director and Chief Operating Officer
- Agreement for there to be responsibility payment for any executive director taking on the role of Deputy Chief Executive in recognition of the extra areas of responsibility.

The table below shows the number of Remuneration Committee meetings attended by each member of the committee. The shaded boxes relate to those meetings that individuals were not entitled to attend due to their appointment date.

Table 2.4E – The Remuneration Committee

Name	28 April 2016	23 May 2016	23 June 2016	15 July 2016	15 September 2016	27 October 2016	8 December 2016	26 January 2017	30 March 2017
Frank Griffiths (chair of the committee)	✓	✓	✓	✓	✓	✓	✓	✓	✓
Prof John Baker					-	-	✓	✓	✓
Margaret Sentamu	✓	✓	-	✓	-	-	✓	✓	✓
Jacki Simpson									-
Julie Tankard	✓	✓	✓	✓	✓	✓	✓	✓	-
Dr Gill Taylor	✓	✓			✓	✓	✓	✓	
Prof Carl Thompson	✓	-	-	-					
Sue White							✓	✓	✓
Keith Woodhouse	✓	-	-	-	-	✓			
Steven Wrigley-Howe	✓	✓	✓	✓	✓	✓	✓	✓	✓

### 2.4.4.3 The Appointments and Remuneration Committee (a sub-committee of the Council of Governors)

The term non-executive director as used in this section refers to all non-executives, including the Chair of the Trust.

The Appointments and Remuneration Committee is a sub-committee of the Council of Governors. It is established in accordance with the NHS Act 2006 and operates in accordance with the principles of NHS Improvement's Code of Governance for Foundation Trusts. It sets the remuneration and terms of service for the non-executive directors and it also plays a role in the appointment of non-executive directors particularly in respect of the interview panels which are made up of members of the committee.

The committee meets as required and is made up of four elected governors and two appointed governors. It is chaired by the Chair of the Trust and is supported by the Director of Workforce Development and the Head of Corporate Governance.

In 2016/17 there were four formal meetings of the Appointments and Remuneration Committee. The table below shows the number of meetings attended by each member. The shaded boxes relate to those meetings individuals were not entitled to attend due to the date they were elected to the committee.

Table 2.4F – The Appointments and Remuneration Committee

Name	4 May 2016	12 May 2016	5 July 2016	8 November 2016
Frank Griffiths (chair of the committee)	✓	✓	✓	✓
Steve Howarth (elected governor)	✓	✓	-	✓
Julia Raven (elected governor)	-	✓	✓	✓
Nicola Swan (elected governor)			✓	-
Claire Woodham (elected governor)	✓	✓	✓	-
Helen Douglas (appointed governor)	-	-	✓	
Carol-Ann Reed (appointed governor)	-	✓	-	✓

In 2016/17 the main areas of work for the committee were:

- Agreeing a percentage (cost of living) uplift of 1% for the non-executive directors with effect from 1 April 2016. This level of uplift was recommended to the Council of Governors for ratification
- Recommending to the Council of Governors the extension of the appointment of Prof Carl Thompson for a further three weeks from 3 July to end on 31 July 2016
- Agreeing the process, timetable and documentation for the appointment of three non-executive directors and the Chair of the Trust; recommending that the Council of Governors ratify these
- Forming a panel to interview three non-executive directors for appointment and making a recommendation to the Council of Governors to appoint Prof John Baker, Sue White and Jacki Simpson
- Forming a panel to interview for the Chair of the Trust and making a recommendation to the Council of Governors to appoint Prof Sue Proctor
- Recommending the appointment of Julie Tankard as the Deputy Chair of the Trust
- Receiving a detailed report on the appointment of Dr Sara Munro as Chief Executive prior to the Council of Governors being asked to support this appointment
- Receiving assurance on the 'Fit and Proper Person' checks carried out on the non-executive directors as at May 2016.

## **The process of appointment and re-appointment for non-executive directors**

The appointment process for non-executive directors (NEDs) is normally carried out through a competitive interview process. However the Council of Governors may agree to hold a protected interview process where there is an opportunity to re-appoint a NED.

The first step in any appointment (or re-appointment) process is for the Nominations Committee (a sub-committee of the Board of Directors) to define the skills and experience required on the Board and to draft a role profile and person specification. The Appointments and Remuneration Committee (a sub-committee of the Council of Governors) receives the agreed role profile and person specification against which appointments are made. It is also the responsibility of the committee to agree the process and timetable for the appointment process in hand. The process and timetable will then be ratified by the Council of Governors.

For a competitive interview process candidates are sought using external search companies and through the NHS Jobs website. A panel consisting of a majority of governors headed by the Chair of the Trust will draw up a shortlist of candidates from the applicants. An interview panel will be formed from the membership of the Appointments and Remuneration Committee with a majority of governors on it (normally four governors where possible), the Chair of the Trust and an independent assessor. The panel then conducts the interviews and chooses the preferred candidate based on merit. Once the panel has made its choice, a recommendation is made to the Council of Governors and it is for the Council to ratify the recommended appointment.

Where a protected interview process is being carried out, a panel consisting of a majority of governors headed by the Chair of the Trust will interview the incumbent NED to ensure they meet all the necessary criteria of the role. The Chair will also provide the panel with an assessment of the NED's performance from their appraisal. Once the interview has been held the panel will make a recommendation as to whether the NED can be re-appointed which will be considered and ratified by the Council of Governors.

### **Appointment / re-appointment of non-executive directors in 2016/17**

- The first term of appointment for Prof Carl Thompson was extended from 3 July until 31 July 2016 so that as chair of the Quality Committee he was available during the CQC inspection
- The first term of appointment for Margaret Sentamu was extended from 6 February until 31 July 2017 to allow the new Chair to be in post and involved in any decision about a possible re-appointment
- Prof John Baker was appointed for a period of three years with effect from 1 September 2016; Sue White was appointed for a period of three years with effect from 7 November 2016; and Jacki Simpson was appointed with effect from 15 February 2017 also for a period of three years
- Prof Sue Proctor was appointed as the Chair of the Trust and took up the post with effect from 1 April 2017, following Frank Griffiths stepping down on the 31 March 2017.

#### **2.4.4.4 The Nominations Committee (a sub-committee of the Board of Directors)**

The Nominations Committee is a sub-committee of the Board of Directors. It is established in accordance with the NHS Act 2006 and NHS Improvement's Code of Governance for Foundation Trusts.

Its role is to: regularly review the structure, size and composition of the Board of Directors and make recommendations for changes where appropriate; identify the skills, knowledge and experience required for vacant Board of Directors' posts for both executive and non-executive directors; and ensure there are arrangements in place for succession planning within the Board. Where the vacant post is for a non-executive director the Nominations Committee will provide the Council of Governors' Appointments and Remuneration Committee with details of the agreed skills and experience required. Where the vacant post is for an executive director a panel, constituted in accordance with the NHS Act 2006, made up of a majority of non-executive directors, will lead on the appointment process to appoint to the agreed skill-set.

The Nominations Committee meets as required. It is chaired by the Chair of the Trust and its membership is made up of the Chief Executive, the Director of Workforce Development and at least two non-executive directors. The choice of which NED will be at any given meeting will depend on a) availability and b) individuals not having a conflict of interest in any matter under discussion at that meeting. The committee is

supported by the Head of Corporate Governance who provides secretariat support and advice on governance matters.

During 2016/17 the committee met on four occasions. The table below shows the number of meetings attended by each member.

**Table 2.4G – The Nominations Committee**

Name	28 April 2016	28 July 2016	15 September 2016	27 October 2016
Frank Griffiths (chair of the committee)	✓	✓	✓	✓
Jill Copeland (Interim Chief Executive)	✓	-		
Dr Sara Munro (Chief Executive)			✓	✓
Susan Tyler (Director of Workforce Development)	✓	✓	-	-
Steven Wrigley-Howe (Non-executive Director)	✓	✓	✓	✓
Julie Tankard (Non-executive Director)	✓	✓	✓	✓
Dr Gill Taylor (Non-executive Director)	-	-	✓	✓

During the year its main areas of work were:

- Secondment arrangements for the Chief Operating Officer (Jill Copeland)
- Agreement that Lynn Parkinson would continue as Interim Chief Operating Officer until the conclusion of a substantive appointment process
- Cover for the vacant Medical Director post agreeing that Dr Wendy Neil would carry out the statutory functions of the director post until a substantive appointment was made
- The appointment of Dawn Hanwell as the Deputy Chief Executive for a period of 12 months
- Agreement of the appointment process for the substantive Medical Director and Chief Operating Officer
- Agreed the skills and experience required for the four upcoming non-executive director vacancies and also for the Chair of the Trust, which were then passed to the Appointments and Remuneration Committee so it could progress the appointments on behalf of the Council of Governors
- Consideration of the arrangements for deputies for the executive directors in order to be assured of succession planning and business resilience.

#### **Appointment of executive directors in 2016/17**

- Dr Sara Munro as Chief Executive with effect from 5 September 2016
- Dr Wendy Neil, Deputy Medical Director, appointed to cover the statutory duties of the Medical Director until a substantive appointment was made (period of appointment to the Board was 1 October 2016 to 28 February 2017)
- Dr Claire Kenwood as the substantive Medical Director with effect from 1 March 2017
- Joanna Forster-Adams whose appointment process concluded in 2016/17, but who will take up her post in July 2017.

Information in sections 2.4.5 to 2.4.7 is subject to audit by our external auditors, PricewaterhouseCoopers LLP.

#### **2.4.5 DIRECTORS AND GOVERNORS' EXPENSES**

The following table sets out the total paid to directors (executive and non-executive) and governors for out-of-pocket expenses for travel and subsistence during 2016/17.

**Table 2.4H – Directors and governors’ expenses**

	2016/17			2015/16
	Number in office throughout the reporting period	Number receiving expenses in the reporting period	The aggregate sum paid in the reporting period £'00	The aggregate sum paid in the reporting period £'00
Executive directors	9	5	5	7
Non-executive directors	10	5	14	20
Governors * <sup>1</sup>	32 * <sup>1</sup>	9	21	15

\*<sup>1</sup> Appointed governors have not been included in this figure as their organisations pay the cost of travel

Please note that expenses relating to executive and non-executive directors are shown in more detail the 'benefits in kind' column in table 2.4J below.

## **2.4.6 SENIOR EMPLOYEES PENSION ENTITLEMENTS, REMUNERATION AND BENEFITS IN KIND**

Accounting policies for pensions and other retirement benefits are set out in the notes to the annual accounts; see Part C of this Annual Report.

The disclosure on senior employees' remuneration and pension entitlements is subject to audit by our external auditors PricewaterhouseCoopers LLP. The auditors will consider whether the information contained in Part A section 2.4.6 and 2.4.7 is consistent with the financial statements.

Information about pension entitlements, remuneration and benefits in kind are set out in table 2.4I and 2.4J below.

**Table 2.4I – Pension entitlement for senior employees (executive directors)**

Name and title	Real increase in pension at age 60  (Bands of £2500) £'000	Real increase in pension lump sum at age 60  (Bands of £2500) £'000	Total accrued pension at age 60 as at 31 March 2017  (Bands of £5000) £'000	Lump sum at age 60 related to accrued pension at 31 March 2017  (Bands of £5000) £'000	Cash equivalent transfer value at 31 March 2016  £'000	Cash equivalent transfer value at 31 March 2017  £'000	Real increase in cash equivalent transfer value  £'000	Employer-funded contribution to growth in CETV  £'000	Employer's contribution to stakeholder pension  To nearest £100
Dr Sara Munro (Chief Executive)	12.5 – 15.0	65.0 – 67.5	20 - 25	65 - 70	-	289	165	120	0
Dawn Hanwell (Chief Financial Officer and Deputy CEO)	2.5 – 5.0	10.0 – 12.5	40 - 45	130 - 135	754	844	90	63	0
Dr Jim Isherwood (Medical Director)	2.5 – 5.0	10.0 – 12.5	60 - 65	185 - 190	1,102	1,205	103	72	0
Dr Wendy Neil (Deputy Medical Director)	10.0 – 12.5	60.0 – 62.5	60 - 65	20 - 25	-	328	162	136	0
Dr Claire Kenwood (Medical Director)	Pension information was not available for Dr Kenwood for inclusion in this Annual Report								
Anthony Deery (Director of Nursing, Professions and Quality)	0.0 – 2.5	2.5 – 5.0	30 - 35	100 - 105	629	680	51	14	0
Susan Tyler (Director of Workforce Development)	0.0 – 2.5	5.0 – 7.5	45 - 50	145 - 150	988	1,055	68	47	0
Jill Copeland (Chief Operating Officer)	5.0 – 7.5	15.0 – 17.5	45 - 50	135 - 140	753	883	130	91	0
Lynn Parkinson (Interim Chief Operating Officer)	2.5 – 5.0	10.0 – 12.5	40 - 45	125 - 130	658	748	89	63	0

*Cash Equivalent Transfer Value (CETV) - The CETV is the actuarially assessed capitalised value of the pension scheme benefits accumulated by a member at a particular point in time. The benefits valued are the member's accumulated benefits and any contingent spouse's pension payable from the scheme. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.*

*Real increase in CETV - This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another scheme or arrangement) and uses common market valuation factors for the start and end of the period.*

- Non-executive directors do not receive pensionable remuneration and consequently there are no entries for them in respect of pensions.
- Dr Sara Munro was appointed as Chief Executive with effect from 5 September 2016. Jill Copeland was Interim Chief Executive until 4 September 2016 and then went back to her substantive post as Chief Operating Officer until 26 September 2016 when she went on secondment.
- Dr Jim Isherwood was Medical Director until 30 September 2016. Dr Wendy Neil, the Deputy Medical Director, was carrying out the statutory functions of the Medical Director on an interim basis with effect from 1 October 2016 until Dr Claire Kenwood was appointed as the substantive Medical Director with effect from 1 March 2017.
- Due to the timing of the appointment of Dr Kenwood, pension information was not available at the time of producing this Annual Report. This will be available in next year's report.

**Table 2.4J – Remuneration and benefits in kind for senior staff**

Name and title	2016/17					2015/16				
	Salary	Benefits in kind	Pension related benefits	Other remuneration	Total	Salary	Benefits in kind	Pension related benefits	Other remuneration	Total
	(bands of £5000) £'000	(rounded to nearest £100) £'	(bands of £2500) £'000	(bands of £5000) £'000	(bands of £5000) £'000	(bands of £5000) £'000	(rounded to nearest £100) £'	(bands of £2500) £'000	(bands of £5000) £'000	(bands of £5000) £'000
Dr Sara Munro (Chief Executive)	80 - 85	100	512.5 - 515.0	5 - 10	595 - 600	-	-	-	-	-
Dawn Hanwell (Chief Financial Officer and Deputy CEO)	110 - 115	0	80.0 – 82.5	0 - 5	195 - 200	110 - 115	0	30.0 – 32.5	0	140 - 145
Dr Jim Isherwood (Medical Director)	80 - 85	100	85.0 – 87.5	0	165 - 170	160 - 165	300	70.0 – 72.5	0	235 - 240
Dr Wendy Neil (Deputy Medical Director)	65 - 70	0	477.5 – 480.0	0	545 - 550	-	-	-	-	-
Dr Claire Kenwood (Medical Director)	10 - 15	0	See table 2.4I	0	10 - 15	-	-	-	-	-
Anthony Deery (Director of Nursing, Professions and Quality)	100 - 105	100	35.0 – 37.5	0	135 - 140	100 – 105	0	135.0 – 137.5	0	235 – 240
Susan Tyler (Director of Workforce Development)	100 - 105	100	40.0 – 42.5	0	140 - 145	100 - 105	200	27.5 – 30.0	0	125 - 130
Jill Copeland (Chief Operating Officer)	60 - 65	100	130.0 – 135.5	0	190 - 195	115 - 120	200	60.5 – 62.5	0	175 - 180
Lynn Parkinson (Interim Chief Operating Officer)	95 - 100	0	90.0 – 92.5	0	185 - 190	20 - 25	0	885 - 890	0	905 - 910
Frank Griffiths (Chair of the Trust)	40 - 45	100	0	0	40 - 45	40 - 45	100	0	0	40 - 45
Keith Woodhouse (Non-executive Director)	5 - 10	100	0	0	5 - 10	10 - 15	700	0	0 - 5	10 - 15
Dr Gillian Taylor (Non-executive Director)	10 - 15	400	0	0	10 - 15	10 - 15	500	0	0	10 - 15
Julie Tankard (Non-executive Director)	10 - 15	0	0	0	10 - 15	10 - 15	0	0	0	10 - 15
Steven Wrigley-Howe (Non-executive Director)	10 - 15	700	0	0	10 - 15	10 - 15	600	0	0	10 – 15
Carl Thompson (Non-executive Director)	0 - 5	0	0	0	0 - 5	10 - 15	0	0	0	10 – 15
Margaret Sentamu (Non-executive Director)	10 - 15	100	0	0	10 - 15	10 - 15	100	0	0	10 - 15
Jacki Simpson (Non-executive Director)	0 - 5	0	0	0	0 - 5	-	-	-	-	-
Prof John Baker (Non-executive Director)	5 - 10	0	0	0	5 - 10	-	-	-	-	-
Sue White (Non-executive Director)	0 - 5	0	0	0	0 - 5	-	-	-	-	-

Jill Copeland was Interim Chief Executive until 4 September 2016 with Sara Munro taking up the substantive role of Chief Executive from 5 September 2016.

The salary for Dr Jim Isherwood includes £30k - £35k relating to a Clinical Excellence Award and the proportion of his salary paid to him for the clinical work he carried out. The salary for Dr Wendy Neil includes £40k - £45k relating to a Clinical Excellence Award and the proportion of her salary paid to her for the clinical work she carried out.

Due to the timing of the appointment of Dr Kenwood, pension information was not available at the time of producing this Annual Report. This will be available in next year's report

'Benefits In kind' in respect of the Chair of the Trust, the other non-executive directors and the executive directors relates to the reimbursement of out of pocket expenses incurred whilst on Trust business.

## 2.4.7 FAIR PAY MULTIPLE

Below is a table showing the median remuneration (the Hutton Disclosure) of all staff compared with the remuneration of the highest paid employee and the comparison ratio between the two.

Table 2.4K – Median remuneration

	2016/17	2015/16
Band of highest paid directors' total remuneration (£'000)	150 – 155	160 – 165
Median Salary (£)	27,825	25,709
Ratio	5.48	6.33

The banded remuneration of the highest paid director in the Trust in the financial year 2016/17 was £153,008 (2015/16, £162,758). This is 5.48 times (2015/16, 6.33) the median remuneration of the workforce is £27,825 (2015/16 £25,709).

In 2016/17 six substantive employees (2015/16 two employees) received remuneration in excess of the highest paid director. Remuneration for these employees ranged from £156,396 to £177,474 (2015/16 £172,097 to £172,843).

To calculate the median salary we have used data that is generated from our payroll system and our agency staffing system. All staff that were employed by the Trust on 31 March 2017 are included in the calculation. For agency staff the calculation is based on the number of the agency staff who worked for the Trust on 31 March 2017. The agency fee was identified and removed based on invoices previously paid.

## 2.4.8 ACCOUNTING POLICIES

Accounting policies for pensions and other retirement benefits are set out in note 1.5 of the annual accounts in Part C of this Annual Report. Details of senior employees' remuneration can be found in this Remuneration Report (senior employees for the purpose of the Remuneration Report are our executive and non-executive Board members).

### CONFIRMATION FROM THE CHIEF EXECUTIVE

As Chief Executive I confirm that the information in this Remuneration Report (made up of sections 2.4.1 to 2.4.8 of this Annual Report) is accurate to the best of my knowledge and that I have properly discharged the responsibilities set out in the NHS Foundation Trust Accounting Officer Memorandum.

Signed .....  ..... Date: 25 May 2017

**Dr Sara Munro**  
Chief Executive



## SECTION 2.5 – ACCOUNTABILITY REPORT (Staff Report)

### 2.5.1 EQUAL OPPORTUNITIES

We believe in fairness and equality, and above all, value diversity in all aspects of our work. This is demonstrated by our commitment to improving health and improving lives for our service users and staff.

Everyone who comes into contact with our organisation can expect to be treated with respect and dignity. We are committed to eliminating discrimination and to the fair treatment of everyone, taking into account all 'protected characteristics' under the Equality Act 2010. If unfair discrimination occurs it will be taken very seriously and it may result in formal action being taken against individual members of staff, including disciplinary action.

We undertake an annual assessment to review equality progress across the organisation using the NHS Equality Delivery System framework and identify priority areas for action through this process. Progress is monitored through our Equality and Inclusion Group and membership includes staff, service users and governors to ensure there are wide ranging contributions to the development and implementation of the strategic equalities agenda.

During the last year a variety of work was undertaken including widening participation to vocational and employment opportunities for diverse communities within the Trust through the development and delivery of a bespoke twelve-month graduate programme supporting eight graduates from Black and Minority Ethnic communities and the delivery of a staff development programme to celebrate and share evidenced based best practice from within our services and to increase knowledge and awareness of the needs of how to deliver effective care to diverse groups. So far two of the graduates have secured permanent employment, one within the Trust.

We also aim to ensure that we employ and develop a workforce that is diverse, non-discriminatory and appropriate to deliver modern healthcare. Valuing the differences of each team member is fundamental. It enables staff to create respectful work environments and we are able to deliver high quality care and services whilst giving service users the opportunity to reach their full potential.

### 2.5.2 DISABILITY AND EMPLOYMENT

Our recruitment and selection procedures take full account of the requirements of the Equality Act 2010 and the associated public sector equality duties. This includes giving full and fair consideration to applicants with a disability or long-term health condition. We have committed to the Mindful Employer Charter and through our annual health and wellbeing action plan we implement activities to further develop our Trust as a healthy workplace in respect of mental health. We are also a Disability Confident employer. This demonstrates we are positive about people with disabilities and support them to successfully attain and retain employment within our Trust.

We have supportive employment practices in place not only for those that we employ who have a disability, but for those who may become disabled whilst working for us. These include a support package within the Employee Wellbeing and Management of Sickness Absence Procedure; a process for the management of work-related stress including a stress pathway tool-kit; an Employee Assistance programme (EAP) providing counselling and other support to staff; flexible working arrangements; and a bespoke Occupational Health Service. These procedures and services support the employment and retention of disabled employees and the implementation of reasonable adjustments to take account of individuals' needs.

Our attendance procedures also take account of individual needs related to disability and provides for disability leave as a reasonable adjustment, to support people to remain in work. We have made reasonable adjustments to working environments through the purchase of specialised equipment and have made necessary alterations to premises in respect of access to buildings.

In addition to this, our diversity training package aims to raise awareness of a wide range of diversity issues, including disability in order to minimise discrimination in all aspects of employment. Diversity training is compulsory for all staff and is required to be undertaken every three years. This ensures that our workforce is aware of current legislative and organisational requirements and best practice. We have developed an annual programme of development sessions to provide our staff with the knowledge and expertise they require when working with our service users and staff from diverse communities.

### **2.5.3 VALUING OUR WORKFORCE**

Our workforce is our most valuable asset and we recognise this by making a commitment to ensure they are well trained, well informed and are given every opportunity to contribute not only to the delivery of services but also to the development of these and other new services.

#### **2.5.3.1 Volunteers**

As a Trust we value the contributions that our volunteers make to the experience of people accessing our services. Our volunteers have a variety of skills and experiences, including volunteers with personal lived experience. This is invaluable to providing inclusive, recovery-focused activities for our service users.

Our Voluntary Services department continues to provide a high quality service across our sites; working in partnership with volunteers, staff, service users and external voluntary organisations. In 2016 the service achieved the Leeds Volunteering Kite mark recognition by Leeds City Council and Voluntary Action Leeds that the Trust manages a volunteering programme where volunteers receive a high quality, positive volunteering experience.

We actively support our volunteers to build on their skills and confidence and volunteering with our Trust continues to be a route into paid employment or full-time / part-time education. During the last year we developed new areas of volunteering whilst continuing to support existing schemes and their volunteers. This included the development of social activities within our older people's services and partnership work with Caring Hands to develop a community befriending scheme.

We continue to maintain and raise the profile of the value of volunteers both within our Trust and the communities we serve. We are extremely grateful for all the good work undertaken by volunteers and the feedback they provide as well as the difference they make to the lives of our service users, carers and staff.

#### **2.5.3.2 Staffside – working with the trade unions that represent our staff**

Staffside is the elected body of the representative trade unions in our Trust. Staffside meets at least monthly to discuss and question, on behalf of the wider union membership, any issues raised by the individual trade unions or by the Trust. This committee enables the trade unions to negotiate with one voice. The JNCC (Joint Negotiation and Consultation Committee) is the place where all issues raised at Staffside meetings are brought to the attention of management.

Staffside has many years of experience of successful partnership working with the Trust. We have achieved this through the nationally recognised *In Partnerships* agreement.

During the past year Staffside has contributed to the strategic agenda by continuing to have involvement in service redesign and management restructuring, and also in communication and engagement with staff. Staffside has:

- Actively encouraged staff to complete the annual staff survey which has resulted in an increased response rate
- Continued involvement in the development of our strategy and in workforce issues through regular dialogue with the Director of Workforce Development and senior operational managers

- Successfully worked in partnership with the Workforce Development Directorate and its managers to support staff going through significant change
- Contributed to the job evaluation process under Agenda for Change to ensure fairness and equity in pay banding
- Continued to support staff who are redeployed in order to minimise any redundancies
- Contributed to feedback and actions planning for teams to improve employee relations and learn lessons.

Staffside also provides information and advice to staff through the development of an internal intranet page on Staffnet. They can also be contacted by emailing [staffside.lypft@nhs.net](mailto:staffside.lypft@nhs.net).

#### **2.5.4 STAFF ENGAGEMENT**

Staff engagement is a key component of the Trust's organisational development approach and to support successful implementation of our strategic objectives. There are a number of ways in which we engage with our staff.

In 2016/17 we developed the *Your Voice Counts* programme and brand and adopted this to ensure that our staff and other stakeholders can have a real voice in key decision making in the Trust. Over a number of years we have supported staff to work in ideas implementation groups to gather feedback and also deliver key changes on priority areas arising from the feedback received in the annual staff survey and other listening events.

In March 2016 we started a significant piece of staff engagement. This focused on refreshing the Trust's five year strategy and started with a series of listening events. Through these events we launched the strategy refresh, discussed immediate priorities for the year ahead, and got direct feedback about the burning issues staff were experiencing. This led to a larger piece of staff engagement using a digital crowdsourcing platform to get feedback on a large scale about our future direction.

In September 2016 we welcomed our new Chief Executive, Dr Sara Munro. We supported Sara's initial communications and meetings in the Trust through a series of blog style briefings and in November and December supported 11 staff engagement events across the Trust hosted by Sara. The key feedback themes were that staff wanted improvements on leadership, recruitment and retention, and more clarity on strategy and direction.

Staff recognition is a key component of our engagement work. As part of this we hold an annual Trust awards ceremony where we celebrate excellence, innovation, personal achievement and team working. In November 2016 we held a highly successful Trust Awards ceremony which saw a record breaking 110 nominations from across the Trust. We also have a monthly STAR awards scheme for staff, which recognises exceptional contributions from teams and individuals to our objectives and values.

In November 2016 we launched our new staff intranet Staffnet which included a new easier to navigate menu structure, working search facility and staff directory. Since launch we've trained around 50 super users (or content editors) from across the Trust enabling them to take control of their own content. We also established a Staffnet Governance Group to oversee the ongoing development, systems and processes that will make the intranet effective and sustainable.

In March 2017, we launched our new public-facing website, following a project working with staff and service user representatives. The new site features an improved menu structure making it easier to navigate, is optimised for viewing on smart phones, makes care service information much easier to access and has a new section devoted to attracting prospective employees.

The Learning and Organisational Development team supported a number of senior management appointments in 2016/17, including the Chief Executive, the Medical Director, the Chief Operating Officer and Deputy Director of Nursing. The appointment processes involved a range of staff and also service user representatives.

## 2.5.5 OUR STAFF SURVEY

### 2.5.5.1 Results from the NHS staff survey 2015

This is the fourteenth annual staff survey in which we have participated. Table 2.5A below shows our performance in respect of response rate, and tables 2.5B and 2.5C show the top and bottom five ranking scores as presented in the findings.

Table 2.5A – Staff survey response rate

2015 survey		2016 survey		Trust movement between years
Trust	National average	Trust	National average	
48%	45%	53%	50%	+6%

We adopted a full census approach to the survey in 2016. Most staff completed an online survey and paper surveys were provided to those teams where accessing the online survey would present a barrier to them participating.

The approach built on progress and learning achieved in previous years. A dedicated team of staff and managers, including Staffside representatives, came together to manage and steer delivery of the survey. A proactive *Your Voice Counts* campaign and staff survey champions promoted the benefits of survey completion amongst teams and individual staff members.

This year's response rate increased to 53% and is 3% above the national average for all mental health and learning disability trusts in England.

Through the *Your Voice Counts* initiative for staff engagement has continued to provide feedback to staff on issues raised from the staff survey and other engagement events. The aim is to continue to ensure that our staff know their feedback is valued and that we are ready to listen and act. Acting on the results of the annual staff survey and making meaningful changes in how we work with staff will bring about lasting improvements enabling us to remain strong, successful and deliver quality services.

The 2016 results show significant improvements in six key areas compared to the 2015 scores, including the number of staff receiving appraisals, development opportunities and the quality of non-compulsory training, the Trust's commitment to staff health and wellbeing, and how the organisation appreciates and values its workforce.

The results also show that we improved or remained static in all 32 key finding areas in the 2016 results. We are performing better than the national average for mental health and learning disability trusts in England across five key areas, including reporting errors, appraisals and work-related stress. The Trust is now ranked at number 16 out of all mental health and learning disability trusts in England. This move (up seven places on 2015) means we are the fourth highest mover of all mental health and learning disability trusts in the last year (Source: NHS Staff Survey/Listening in Action analysis).

Following the results of the survey in 2015 we launched specific programmes of work to address some of the key themes and areas for improvement, and the 2016 results show that staff are reporting significant improvements in these areas. Some of the ways in which we have addressed staff's concerns are shown below.

- The Your Voice Counts crowdsourcing platform, alongside listening events with our Chief Executive, has allowed all staff to have input into the development of our new organisational strategy and to co-create our new vision and values and improve communicating with staff.

- We have also focused on staff experience, including the introduction of a new Employee Assistance Programme, improved reporting systems, a new appraisal policy, and a number of training and professional development opportunities such as the introduction of the Mary Seacole management programme.

The tables below show the results from the 2016 staff survey; specifically the top five ranking scores. These show where we compare most favourably with other mental health and learning disability trusts in England.

**Table 2.5B –Top five ranking scores**

	Trust Score 2015	Trust Score 2016	National Average 2016	Trust movement Between years
Percentage of staff feeling unwell due to work-related stress in the last 12 months	39%	35%	45%	-4%
Percentage of staff appraised in last 12 months	87%	91%	89%	+4%
Percentage of staff/colleagues reporting most recent experience of harassment, bullying or abuse	61%	64%	60%	+3%
Percentage of staff reporting errors, near misses or incidents witnessed in the last month	90%	93%	92%	+3%
Percentage of staff working extra hours	73%	70%	72%	-3%

**Table 2.5C – Bottom five ranking scores**

	Trust Score 2015	Trust Score 2016	National Average 2016	Trust Movement Between Years
Percentage of staff experiencing physical violence from service user, relatives or the public in the last 12 months	26%	26%	21%	0
Effective team work*	3.74	3.73	3.85	-0.01
Staff motivation at work*	3.77	3.82	3.91	+0.05
Recognition and value of staff by managers and the organisation*	3.34	3.46	3.56	+0.12
Percentage of staff witnessing potentially harmful errors, near misses or incidents in the last month	30%	29%	27%	-1%

\* (scores are rated 1 to 5; the higher the score out of 5, the better)

### 2.5.5.2 Addressing areas of concern

An analysis of our staff survey results provides us with a basis for determining the main areas to focus on when developing our key areas for action in 2017. The Trust will continue to use the *Your Voice Counts* crowdsourcing platform, as well as face to face listening events to engage with staff on strategic issues from the national staff survey key findings in table 2.5C above.

Additionally this year the Trust has also provided directorates with local results. This will support leadership teams to identify and implement local action plans for improving staff engagement and experience of working at the Trust.

## **2.5.6 DEVELOPING PEOPLE**

Learning and development is something we take seriously as we recognise that without a fully competent workforce we will be unable to deliver safe and effective care. We are committed to developing our workforce so they can make a difference to the community we serve. The 2016 staff survey indicates that our staff recognise the investment we make in learning and development opportunities.

### **Management and Leadership**

We have worked with the NHS Leadership Academy to deliver accredited training programmes to improve our managers and leaders of today and tomorrow. We are one of only a few NHS Trusts to work with the Leadership Academy to deliver a Mary Seacole local programme to our middle leaders, which blends the national approaches to leadership development with a local angle.

### **Coaching and One to One Development**

We have continued to use our coaching network to support staff in their development and to also develop a coaching culture within our organisation. We have delivered personal development workshops for staff to help them develop their personal resilience and in dealing with change.

### **Team Development**

We view team effectiveness and development as a key focus in developing the organisation and its people. In 2017 we worked with numerous teams from many different areas of our organisation to help them look at how they function as a team and to improve their team performance.

### **Keeping Safe**

This year a lot of effort has gone into improving the safety of our services by developing the competencies of staff through achieving a high rate of compliance with compulsory training. This training is really important for us to meet legislative and regulatory standards, but most importantly to keep service users, carers, members of the public and our staff safe.

### **Appraisal**

We have improved the staff appraisal process this year, making it simpler to use, putting more focus on our Trust values and the behaviours we expect of staff. We have also been supporting managers in how to conduct effective appraisals to get the best out of our staff.

### **Vocational Training**

We have been working in partnership with providers across Leeds to deliver Health and Social Care apprenticeships, whilst also understanding how we need to respond to government changes. We have worked with Skills for Health and Health Education England to develop the capability of our support workforce.

### **Technology Enhanced Learning**

We have again been maximising the role of technology enhanced learning across our organisation to increase the flexibility in how staff access learning and development. This has included developing e-learning courses for our staff and also NHS staff across the Yorkshire and the Humber region. A real focus this year was to use our recently introduced iLearn system even more across the Trust to support a wider range of learning and development.

## **2.5.7 HOW WE INVOLVE OUR STAFF IN UNDERSTANDING PERFORMANCE**

### **2.5.7.1 FINANCIAL PERFORMANCE**

Financial plans are set in the context of an annual planning process. We are required to complete a two-year Operational Plan, refreshed annually and produced in the context of our overarching strategy. Key assumptions to be used are discussed by the Executive Team and the Board of Directors to ensure there is an understanding of the key assumptions being made and the impact on our use of resources rating.

Finance managers are integrated within the Care Groups, forming part of the leadership teams at this level. This ensures consistency and understanding across the Trust on service and financial objectives. In the context of the annual planning cycle, the agreement of the budgets for each year are discussed and agreed with the relevant lines of management in the organisation. Individual budget holders have an opportunity to discuss pressures (as well as efficiencies), which are considered for funding as part of the budgetary process.

The Board of Directors and the Council of Governors receive regular information regarding financial performance within the Integrated Quality and Performance Report. The performance report highlights financial performance against plan; any significant variances; how these have occurred; and what action is required, if any. The Council of Governors receives a report on performance (including financial performance) from a non-executive director which allows the Council to hold the non-executive directors to account for the performance of the Board (including financial performance) and to understand how they have challenged the executive directors in respect of any areas of poor performance or risks to performance.

At each meeting of the Joint National Consultative Committee (JNCC), Staffside representatives are informed of the current and forecast financial position, together with future prospects.

### **2.5.7.2 CONTRACTUAL AND REGULATORY PERFORMANCE**

There has been a great deal of work this year to further develop dashboards for service managers to access. These dashboards provide the Key Performance Indicator (KPI) data that services need in order to better manage the performance of their services. Further data is in the process of being added, namely incident data, financial data, sickness data, and training, supervision and appraisal records. These dashboards are being developed and are a regular item in team meetings.

We are also reinstating a series of Quality Reviews, whereby staff visit services and assess them using the Key Lines of Enquiry template used by the CQC. The emphasis is on highlighting good practice and high quality care as well as recognising areas for improvement. As part of the reviews, progress against the CQC action plan for that specific area will also be reviewed.

The main aim of this approach is to engage all staff in the quality agenda and build up a body of knowledge through the organisation on what good quality looks like. The visiting team will be clinicians from other teams supported by staff from corporate services such as safeguarding, mental health act legislation and medicines management.

Ultimately we will develop a Quality Forum which will highlight good practice to be shared with teams / colleagues across the Trust.

## **2.5.8 MENTAL HEALTH ACT MANAGERS**

Mental Health Act Managers (MHAMs) are members of the public, appointed by the Board of Directors, together with a number of non-executive directors who act in this role. Their key responsibilities are to:

- Review the detention of service users who are either detained under the Mental Health Act or who have been placed on Community Treatment Orders (CTO)
- Discharge those service users who no longer meet the criteria to be detained or are subject to a Community Treatment Order.

The Board of Directors has established a Mental Health Legislation Committee as a sub-committee of the Board. During 2016/17 this committee was chaired by a non-executive director (Steven Wrigley-Howe, with effect from 1 April this committee will be chaired by Sue White). It provides a mechanism for assurance on the robustness of arrangements in place for the Trust to meet its duties in respect of the Mental Health Act 1983. Reporting into the committee is the Mental Health Act Managers' Forum. This seeks to provide a forum for communication between the Mental Health Act Managers and officers of the Trust. The forum is also chaired by a non-executive director to ensure a direct link to the Board of Directors in accordance with the Mental Health Act Code of Practice.

Whilst Steven Wrigley-Howe chaired both the Mental Health Legislation Committee and the Mental Health Act Managers' Forum during 2016/17, in October 2016 he asked the MHAMs to identify a Deputy Chair who, as well as deputising in the chairing of Forum meetings, would act as a conduit of views and concerns from the MHAMs to the chair. These views are sought through regular one to one meetings and attendance at the Mental Health Legislation Forum. As a result of this Jeffrey Tee was elected as Deputy Chair of the Forum.

The recruitment of further MHAMs continued during 2016/17 and twelve new MHAMs were appointed. Regular recruitment ensures diversity is addressed within the group and that the organisation retains sufficient panel members to review detentions and CTOs, in accordance with the Trust's own standard. Eight Managers will reach the end of their fixed term appointment on 31 March 2018 which reinforces the need to constantly refresh our group of MHAMs.

We are committed to ensuring that our MHAMs are appropriately trained for their role and that all new managers attend a one-day induction, followed by a period of observation with support from experienced MHAMs. On-going training is provided at Forum meetings and a training day was held for all MHAMs in November 2016, which focused on the Mental Capacity Act 2015. The training was very well received with a high level of attendance. The MHAMs Forum has identified a need to focus on training for MHAMs who chair review panels and this will be addressed during 2017.

A further review of the processes in relation to CTO hearings has been completed in light of the publication of the new Mental Health Act Code of Practice, which took effect on 1 April 2015. Work has also been undertaken to improve the quality of hearings, ensuring they are all held prior to the expiry of the current detention period.

In 2016/17, there were 60 appeal hearings, of which 49 were heard within our standard of 10 days. The MHAMs reviewed 252 renewals / extensions of detention and CTOs. A total of seven nearest relative barring orders were heard. During the reporting period there have been 11 breaches of the appeal hearing standard (average delay 10 days) and 16 breaches of the renewal standard (average delay 9 days). The Mental Health Legislation Committee monitors hearing data at its quarterly meetings and seeks assurance as to how processes can be made more effective.

We are appreciative of the time and commitment that Mental Health Act Managers and non-executive directors acting as Mental Health Act Managers have given this year. Once again we wish to thank everyone for their dedication and the skill they apply when undertaking this vital role.

We currently have 35 acting Mental Health Act Managers and the table below shows those people who have acted in this capacity during 2016/17.

Table 2.5D – Mental Health Act Managers during 2016/17

Mental Health Act Managers during the period 1 April 2016 to 31 March 2017		
Berni Addyman	Ian Addyman*	Nasar Ahmed
Enid Atkinson	Janis Bottomley	Marilyn Bryan
Deborah Byatt	Rebecca Casson	Aqila Choudhry
Brian Councill	Lindsay Councill*	Judith Devine
Jill Hetherton	Ian Hughes	Lorna James
Peter Jones	Brian Kemp	Nicolle Levine
Heather Limbach	Andrew Marran	Graham Martin
John Martyn Richards*	Bernard Marsden*	David Mayes
Kevin McAleese	James Morgan*	Claire Morris
Ismail Patel	Muhammed Patel	Debra Pearlman
Claire Penten/Turvil	Shamaila Quereshi	Anne Rice
Rajinder Richards*	Nicola Swan	Jeffrey Tee
David Walkden	Tom White	Keith Woodhouse
Michael Yates		

\* Retired from the role during 2016/17

Non-executive directors also acting as Mental Health Act Managers during 2016/17
Margaret Sentamu

## 2.5.9 SICKNESS ABSENCE

At the end of March 2017 our absence rate has decreased to 5% from a position of 4.96% as at 31 March 2017 with sickness rates below 5% in September and December 2016. However, this is above our target of 3.7%.

The latest figures available from the Health and Social Care Information Centre (HSCIC) show that staff sickness absence in the NHS in England at December 2015 is 4.31%. Going forward we will be reviewing our existing target as part of our refresh of the Workforce Development Plan.

Our top reasons for sickness absence continue to be: stress and other mental health-related absences; and muscular-skeletal (MSK) related absence. There are similar national trends in these areas and this is where we are focusing our efforts to support staff and improve attendance.

The tables below show our sickness absence rate during 2016/17 and also present some statistics around the number of days lost due to sickness absence.

Table 2.5E – Sickness absence (percentage for 2016/17)

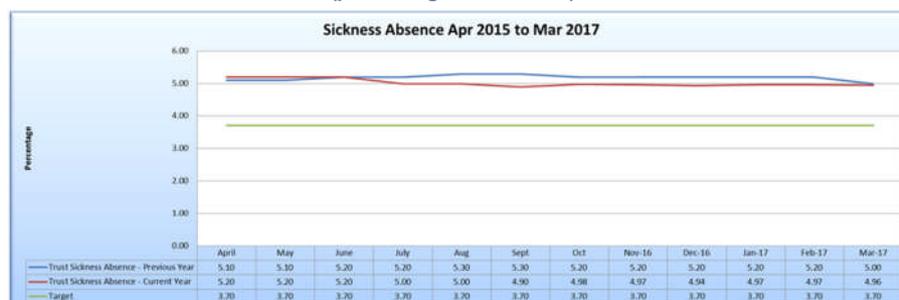


Table 2.5F – Sickness absence as reported in the FTCs

	2016 (calendar year)
	Number
Total days lost	26,200
Total staff years	2,335
Average days lost	11

In September 2016 we evaluated and reviewed the Firstcare absence reporting system (implemented in November 2014) to streamline some of the processes to support both staff and managers to use the systems more efficiently. We then extended the pilot period for a further period to allow for the system to become embedded and to further evaluate effectiveness. This system provides a single point of access for sickness reporting and greater support for managers in understanding absence rates. It allows quicker referral rates to Occupational Health, a more effective return to work process and more consistent reporting. Managers are familiar with the system, and with HR support are developing local attendance management action plans to address high levels of absence and 'hot-spot' areas.

Our physiotherapy service is now well established and we are seeing a decrease in MSK absences. We have implemented physiotherapy clinics to support a reduction in high absence levels and provide education and advice to prevent injury / absence where possible. The service has worked in partnership with other experts and professionals to review and improve our in-house training provision in the areas of moving and handling and the prevention and management of violence and aggression. To manage demand for this highly regarded service, in August 2016 we implemented a telemedicine model to triage symptoms and offer first-line advice and support. To support our staff's physical health we offered physical health checks to over 40 staff as part of an initial pilot. This checks blood pressure, blood sugar, cholesterol, and body composition checks along with a lifestyle questionnaire with advice being offered and onward referral to GPs where appropriate. We re-launched our Employee Assistance Programme to provide staff support both from a work and personal perspective. We did this to provide additional support for staff absences related to stress, anxiety, depression and other mental health conditions. A new stress pathway online toolkit was implemented in 2015 and further refined in 2016 supported by the appointment of a new Wellbeing Practitioner post in the Occupational Health Department.

Our progress is monitored by our Health and Wellbeing Group and our health and wellbeing programme has supported various incentives including smoking cessation, Dry January, World Mental Health Day, National Stress Awareness Day, Work Out at Work Day, Back Care Awareness Week and the seasonal flu campaign.

## 2.5.10 OCCUPATIONAL HEALTH SERVICE

We continue to share our Occupational Health Service with South West Yorkshire Partnership Foundation Trust (SWYPFT). It remains a nurse-led service created to meet the specific needs of staff in a mental health, learning disability and community services. The team now provides an overall occupational health service for 9,000 employees in the region and continues to operate service level agreements for external contracts.

During 2016/17 the main achievements include:

- The provision of Occupational Health services to Leeds Community Healthcare Trust
- A successful decant of premises from Castleford and Normanton District Hospital to Fieldhead Hospital

- The support of Health and Wellbeing CQUINS for flu, physical activity, mental health and physiotherapy specific interventions
- The development of a Health and Wellbeing practitioner post to lead on Health and Wellbeing initiatives for both Trusts
- The continued pilot of telemedicine to support low-level MSK symptoms and disorders and aid in triage of Firstcare alerts and continued fast track physiotherapy appointments
- The provision of physical health checks and MSK education sessions at the Mount.

### **2.5.11 HEALTH AND SAFETY**

We are committed to ensuring the health, safety and welfare of our employees. We also fully accept our responsibility for others who may be affected by our work activities. Health and safety is managed proactively, on the basis of risk assessment, with the aim of minimising the potential for injury and ill health.

Union-appointed safety representatives have an important and valued role in representing the interests of all staff (including those who are not in a trade union), consulting with management and supporting our health and safety arrangements. Their rights as safety representatives are outlined in the Safety Representatives: Consultation with Employees Policy. We also have a joint executive level Staffside meeting, which leads the health and safety agenda across the organisation.

We have in post competent people to provide specialist assistance in managing health and safety matters, including members of the Risk Management Department, senior nurses for infection control and fire officers. The Facilities Department has a special responsibility to ensure that health and safety issues are fully considered in the design and maintenance of our premises.

We recognise that we have a responsibility and a duty of care to provide a safe and secure environment, free from the risks of crime that may arise when providing a public service. This includes the protection of service users, staff, visitors and their property, and the physical assets of the organisation. We have a nominated non-executive director for security management. We also have an appointed Local Security Management Specialist who has responsibility for investigating all security breaches, creating a pro-security culture within our Trust and liaison with stakeholders (e.g. NHS Protect and the police).

Managers are responsible for providing a safe working environment and for ensuring the health, safety and welfare of employees, volunteers and others within the services for which they have managerial control. The Trust has undertaken the following audits and inspections between April 2016 and March 2017:

- 25 health and safety audits
- 47 health and safety inspections
- 46 food safety audits
- 85 fire safety audits
- 1 security audit.

Managers also have a responsibility for the safety of service users, carers and members of the public accessing our premises. Assessing what is 'reasonably practicable' requires managers to make balanced and pragmatic decisions, based on considerations of the level of risk against the cost and practicality of action necessary to reduce the risk.

### **2.5.12 COUNTER-FRAUD**

During 2016/17 the Local Counter Fraud Specialist Service (LCFS) was provided by Audit Yorkshire, formerly West Yorkshire Audit Consortium and North Yorkshire Audit Services. Audit Yorkshire specialises in all aspects of internal audit and counter fraud investigations work, primarily across the NHS but also the public, corporate and not for profit sectors. Audit Yorkshire has a team of accredited and experienced LCFS personnel.

Our LCFS has conducted work across all generic areas of counter-fraud activity, placing emphasis on the continued anti-fraud culture within our Trust and the prevention of fraud. Presentations at staff induction sessions and to selected groups of staff have been undertaken. The LCFS has continued to be proactive in their work and our staff have continued to be alerted to potential and real fraud risks.

During 2016/17 a former employee of the Trust was struck-off by the Nursing and Midwifery Council following an investigation by the LCFS. The Trust has reviewed its internal processes in the light of this investigation and will continue to be vigilant in regard to secondary employment and sickness procedures. Our counter-fraud services have supported this review.

### 2.5.13 AVERAGE STAFF NUMBERS

Table 2.5G – Average staff numbers for 2016/17

Average number of employees (Whole Time Equivalent basis)	Permanent (Number)	Other (Number)	Total Number (2016/17)	Total Number (2015/16)
Medical and dental	161	21	182	184
Administration and estates	550	1	551	619
Healthcare assistants and other support staff	583	0	583	677
Nursing, midwifery and health visiting staff	682	0	682	793
Scientific, therapeutic and technical staff	275	23	298	340
Social care staff	2	0	2	2
Other - includes bank and agency		355	355	356
<b>Total average numbers</b>	<b>2,252</b>	<b>399</b>	<b>2,651</b>	<b>2,970</b>
<b>Of which:</b> Number of employees (WTE) engaged on capital projects	0	0	0	0

### 2.5.14 GENDER PROFILE OF OUR TRUST

In accordance with the Companies Act 2006 Paragraph 414C (8)(c) below is the gender profile of our organisation.

Table 2.5H – Gender profile of our Trust

Group	Number male	Number female
Directors	3	10
Senior managers (Band 8 and above)	69	141
Employees	643	1694

For the purpose of this disclosure 'senior managers' are defined as all Agenda for Change staff on band 8 and above, as these individuals are deemed to have responsibility for planning, directing or controlling the activities of the organisation or a strategically significant part of the organisation as defined in the Companies Act 2006, Paragraph 414C (9)(a).

Information in section 2.5.15 is subject to audit by our external auditors, PricewaterhouseCoopers LLP.

## 2.5.15 ANALYSIS OF STAFF COSTS

Table 2.5I – Analysis of staff costs for 2106/17

Average number of employees (Whole Time Equivalent basis)	Permanent (£000)	Other (£000)	Total £000 (2016/17)	Total £000 (2015/16)
Salaries and wages	75,395	8,764	84,160	93,295
Social security costs	7,581	0	7,581	6,738
Employer's contributions to NHS pensions	10,405	0	10,405	11,754
Temporary staff	0	4,791	4,791	7,000
<b>Total gross staff costs</b>	<b>93,382</b>	<b>13,555</b>	<b>106,937</b>	<b>118,787</b>
Recoveries in respect of seconded staff	(565)	0	(565)	(563)
<b>Total staff costs</b>	<b>92,817</b>	<b>13,555</b>	<b>106,372</b>	<b>118,224</b>
<b>Of which:</b> Costs capitalised as part of assets	0	0	0	0

## 2.5.16 OFF-PAYROLL ENGAGEMENTS

This section sets out our policy in relation to off-payroll engagements.

Off-payroll arrangements are those where individuals, either self-employed or acting through a personal service company, are paid gross. Whilst off-payroll arrangements may sometimes be appropriate for those engaged on a genuinely interim basis, they are not appropriate for those in management positions or those working for a significant period with the same employer.

The Trust acknowledges that off-payroll arrangements may sometimes be appropriate and beneficial. It is, therefore, important that these arrangements are transparent and are open to scrutiny in the event of challenge.

Off-payroll arrangements should only be made via the Procurement Team, with an authorised requisition and purchase order in place. Under no circumstances should Trust employees engage with any agency or individual (Personal Service Company) directly without consultation with the Procurement Team.

In all circumstances appropriate contracts and / or framework agreements should be in place between the Trust and either the individual, agency or Personal Service Company. All contracts and / or framework agreements should include a clause giving the Trust the right to seek assurance in relation to income tax and national insurance.

In addition, the appointing manager is required to undertake a risk assessment as to whether or not assurance needs to be sought that the individual is paying the right amount of tax and national insurance. This applies to all circumstances and a pro-forma for this is included in the policy.

The following table sets out all off-payroll engagements as at 31 March 2017 where the individual is paid more than £220 per day and where the engagement lasts for longer than six months.

**Table 2.5J**

Number of existing engagements as of 31 March 2017	5
Of which:	
The number that have existed for less than one year at the time of reporting	4
The number that have existed for between one and two years at the time of reporting	1

The Trust has considered all existing off-payroll engagements, outlined above, in terms of the risk (and whether assurance is required) that the individual is paying the right amount of tax. Where necessary assurance has been sought.

The following table relates to all new off-payroll engagements, or those that reached six months in duration, between 1 April 2016 and 31 March 2017, where the individual was paid more than £220 per day and where the engagement lasted for longer than six months.

**Table 2.5K**

Number of new engagements, or those that reached six months in duration, between 1 April 2016 and 31 March 2017	11
Number of the above which include contractual clauses giving the Trust the right to request assurance in relation to income tax and National Insurance obligations	11
Number for whom assurance has been requested	1
Of which:	
The number for whom assurance has been received	1
The number for whom assurance has not been received	0
The number that have been terminated as a result of assurance not being received	0

The table below shows any off-payroll engagements of Board members, and / or, senior officials with significant financial responsibility, between 1 April 2016 and 31 March 2017.

**Table 2.5L**

Number of off-payroll engagements of Board members, and / or senior officials with significant financial responsibility during the financial year	0
Number of individuals that have been deemed 'Board members and / or senior officials with significant financial responsibility' during the financial year. (This figure should include both off-payroll and on-payroll engagements.)	19

### 2.5.17 EXIT PACKAGES

These reporting requirements cover the total costs of exit packages agreed in the year. They include payments under the Civil Service Compensation Scheme (CSCS), payments under any other compensation schemes where applicable, e.g. other Non-departmental Public Bodies (NDPBs), and any other payments made.

Exit packages for Board members are included above with further detail in the Directors Remuneration Report. There was no exit package relating to Board members in 2016/17 (1 in 2015/16).

Table 2.5M

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
Less than £10,000	0 (0)	4 (1)	4 (1)
£10,001 - £25,000	0 (0)	0 (1)	0 (1)
£25,001 - £50,000	0 (3)	0 (1)	0 (4)
£50,001 - £100,000	1 (2)	0 (2)	1 (4)
£100,001 - £150,000	0 (0)	0 (0)	0 (0)
£150,001 - £200,000	0 (2)	0 (0)	0 (2)
Greater than £200,000	0 (0)	0 (0)	0 (0)
Total number of exit packages by type	1 (7)	4 (5)	5 (12)
Total resource cost (£000)	£50 (£556)	£20 (£169)	£70 (£725)
Note: Figures in brackets relate to 2015/16			

## 2.5.18 NON-COMPULSORY / OTHER DEPARTURES AGREED

Table 2.5N

	Agreements (Number)	Total value of agreements (£000)
Voluntary redundancies including early retirement contractual costs	0	0
Mutually agreed resignations (MARS) contractual costs	1 (2)	4 (98)
Early retirements in the efficiency of the service - contractual costs	0 (0)	0 (0)
Contractual payments in lieu of notice	0 (0)	0 (0)
Exit packages following Employment Tribunals or court orders	0 (0)	0 (0)
Contractual payments in lieu of notice	3 (4)	16 (71)
Exit payments following Employment Tribunals or court orders	0 (0)	0 (0)
Non-contractual payments requiring HMT approval	0 (0)	0 (0)
<b>Total</b>	<b>4 (6)</b>	<b>20 (169)</b>
<b>Of which:</b> Non-contractual payments made to individuals where the payment value was more than 12 months of their annual salary	0 (0)	0 (0)
Figures in brackets relate to 2015/16		

Non contractual payments requiring HMT approval includes any non-contractual severance payment made following judicial mediation and any non-contractual payments in lieu of notice. In 2016/17 the maximum payment was £50,093 and the minimum payment was £4,041. The median of the payments was £4,286.

The Remuneration Report provides specific details of exit payments payable to individuals named in that report.

#### **2.5.19 EXPENDITURE ON CONSULTANCY**

Details of our expenditure on consultancy can be found in Note 4 of the Annual Accounts in Part C of Annual Report.

## SECTION 2.6 – ACCOUNTABILITY REPORT (Disclosures required in the Annual Report)

### 2.6.1 COMPLIANCE WITH THE CODE OF GOVERNANCE

The Board has overall responsibility for the administration of sound corporate governance throughout the organisation. The NHS Foundation Trust Code of Governance (the Code) is published by NHS Improvement (previously Monitor). The purpose of the Code is to assist foundation trust boards with ensuring good governance and to bring together best practice from public and private sector corporate governance.

#### 2.6.1.1 Comply or explain

The Code is issued as best practice, but also contains a number of main principles, supporting principles and code provisions on a 'comply or explain' basis. The Leeds and York NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance issued in 2012, most recently revised in July 2014. This is based on the principles of the UK Corporate Governance Code.

A full review of compliance with the Code is submitted to the Audit Committee on an annual basis to support this statement. A copy of the full report to the Audit Committee is available on request from the Head of Corporate Governance. The Trust carried out a detailed self-assessment against the requirements of the Code and submitted the assessment to the Audit Committee for approval and to support this statement that the Trust continues to comply with the principles of the Code with the exceptions as listed in the table below .

Table 2.6A – Areas of non-compliance or limited compliance with the provisions of the Code of Governance

Code provision	Requirement	Explanation
B.1.2	At least half the Board of Directors, excluding the chairperson, should comprise independent non-executive directors.	In August 2016, due to a matter of timing, the number of non-executive directors, excluding the Chair of the Trust, was five measured against six executive directors. As there was no Board or Board sub-committee meetings in the month of August this was deemed not be a matter of concern. The number of NEDs returned to at least half (i.e. six NEDs measured against six executive directors) with effect from 1 September 2016.
D.2.2	The Remuneration Committee should have delegated responsibility for setting remuneration for all executive directors, including pension rights and any compensation payments. The committee should also recommend and monitor the level and structure of remuneration for senior management.	The Remuneration Committee sets the pay for executive directors both at the point of advertising for a vacancy and then periodically if required to do so. The Remuneration Committee has also agreed that the pension rights for executive directors are determined by the NHS pension scheme not by itself.
D.2.3	The Council of Governors should consult external professional advisers to market-test the remuneration levels of the chairperson and other non-executives at least once every three years and when they intend to make a material change to the remuneration of a non-executive.	The Appointments and Remuneration Committee will from time-to-time commission an external company to carry out a review of the non-executive directors. The timing of this review will take account of the prevailing economic climate and the desirability of reviewing non-executive remuneration at a particular point in time (other than any cost of living increase). This may not be every three years.

## 2.6.2 DISCLOSURE STATEMENTS TO BE MADE IN THE ANNUAL REPORT

The Code contains a number of disclosure statements that the Board is required to include in the Annual Report. The disclosure statements contained in the Annual Report are based on the 2014 version of the Code of Governance, and the table below shows how the Board has complied with those disclosures that it is required to include in this Annual Report.

The table below also includes a small number of specific additional requirements as set out in the NHS Foundation Trust Annual Reporting Manual, which directly relate to, or enhance the annual reporting requirements as set out in the NHS Foundation Trust Code of Governance.

Table 2.6B – How we have complied with the disclosures we are required to report on in the Annual Report

Code provision	Requirement	Section in Annual Report / explanatory statement
A.1.1	The schedule of matters reserved for the Board of Directors should include a clear statement detailing the roles and responsibilities of the Council of Governors. This statement should also describe how any disagreements between the Council of Governors and the Board of Directors will be resolved. The Annual Report should include this schedule of matters or a summary statement of how the Board of Directors and the Council of Governors operate, including a summary of the types of decisions to be taken by each of the boards and which are delegated to the executive management of the Board of Directors.	<ul style="list-style-type: none"> <li>• Section 3.1 (Board of Directors)</li> <li>• Section 4.4 (Council of Governors)</li> </ul>
A.1.2	The Annual Report should identify the: <ul style="list-style-type: none"> <li>• Chairperson and the deputy chairperson (where there is one)</li> <li>• Chief Executive</li> <li>• Senior Independent Director</li> <li>• Chairperson and members of the Nominations Committee and the number of meetings and attendance by directors</li> <li>• Chairperson and members of the Audit Committee and the number of the meeting and attendance by directors</li> <li>• Chairperson and members of the Remuneration Committee and the number of the meeting and attendance by directors</li> <li>• Number of meetings of the Board and individual attendance by directors.</li> </ul>	<ul style="list-style-type: none"> <li>• Section 2.1.1</li> <li>• Section 2.1.1</li> <li>• Section 2.1.1</li> <li>• Section 2.4.4.4</li> <li>• Table 3C in Section 3.6</li> <li>• Section 2.4.4.2</li> <li>• Section 3.4</li> </ul>
A.5.3	The Annual Report should identify: <ul style="list-style-type: none"> <li>• The members of the Council of Governors</li> <li>• A description of the constituency or organisation that governors represent, whether they were elected or appointed, and the duration of their appointments</li> <li>• The nominated lead governor.</li> </ul>	<ul style="list-style-type: none"> <li>• Tables 4B and 4C in Section 4.1</li> <li>• Table 4B and 4C in Section 4.1</li> <li>• Section 4.1</li> </ul>
Annual Reporting Manual additional disclosure	The Annual Report should include a statement about the number of meetings of the Council of Governors and individual attendance by governors and directors.	<ul style="list-style-type: none"> <li>• Table 4G in Section 4.3 and table 4H in Section 4.5</li> </ul>
B.1.1	The Board of Directors should identify in the Annual Report each non-executive director it considers to be independent, with reasons if necessary.	<ul style="list-style-type: none"> <li>• Section 2.1.1</li> </ul>
B.1.4	The Board of Directors should include in its Annual Report a description of each director's skills, expertise and experience.  Alongside this, in the Annual Report, the Board should make a clear statement about its own balance, completeness and appropriateness to the requirements of the NHS foundation trust.	<ul style="list-style-type: none"> <li>• Section 3.3</li> <li>• Section 2.1.1</li> </ul>

Code provision	Requirement	Section in Annual Report / explanatory statement
Annual Reporting Manual additional disclosure	The Annual Report should include a brief description of the length of appointments of the non-executive directors, and how they might be terminated.	<ul style="list-style-type: none"> <li>Section 2.1.1</li> </ul>
B.2.8	The Annual Report should describe the process followed by the Council of Governors in relation to appointments of the chairperson and non-executive directors.	<ul style="list-style-type: none"> <li>Section 2.4.4.3</li> </ul>
B.2.10	A separate section of the Annual Report should describe the work of the Nominations Committee(s), including the process it has used in relation to Board appointments.	<ul style="list-style-type: none"> <li>Section 2.4.4.3 (Appointments and Remuneration Committee)</li> <li>Section 2.4.4.4 (Nominations Committee)</li> </ul>
Annual Reporting Manual additional disclosure	The disclosure on the work of the Nominations Committee should include an explanation if neither an external search consultancy nor open advertising has been used in the appointment of the chair or non-executive director.	Not applicable, open advertising and external search companies are used in each NED recruitment campaign.
B.3.1	A chairperson's other significant commitments should be disclosed to the Council of Governors before appointment and included in the Annual Report. Changes to such commitments should be reported to the Council of Governors as they arise, and included in the next Annual Report.	<ul style="list-style-type: none"> <li>Section 2.1.1 and 3.3</li> </ul>
B.5.6	Governors should canvass the opinion of the Trust's members and the public, and for appointed governors the body they represent, on the NHS foundation trust's forward plan, including its objectives, priorities and strategy, and their views should be communicated to the Board of Directors. The Annual Report should contain a statement as to how this requirement has been undertaken and satisfied.	<ul style="list-style-type: none"> <li>Section 1.1.5.2</li> </ul>
Annual Reporting Manual additional disclosure	If during the financial year the governors have exercised their power under paragraph 10c of Schedule 7 of the NHS Act 2006 then information on this must be included in the Annual Report (power to require one or more of the directors to attend a governors' meeting for the purpose of obtaining information about the foundation trust's performance of its functions or the directors' performance of their duties (and deciding whether to propose a vote on the foundation trust's or directors' performance)).	This power has not been exercised during the course of the financial year
B.6.1	The Board of Directors should state in the Annual Report how performance evaluation of the <ul style="list-style-type: none"> <li>Board</li> <li>Board committees</li> <li>Directors including the chairperson,</li> </ul> has been conducted.	<ul style="list-style-type: none"> <li>Section 2.4.3.2</li> <li>Section 3.5.2</li> <li>Section 2.4.3.2</li> </ul>
B.6.2	Where there has been external evaluation of the board and or governance of the Trust, the external facilitator should be identified in the Annual Report and a statement made as to whether they have any other connection to the trust.	<ul style="list-style-type: none"> <li>Section 3.5.3</li> <li>Section 3.5.4</li> </ul>

Code provision	Requirement	Section in Annual Report / explanatory statement
C.1.1	The directors should explain in the Annual Report their responsibility for preparing the Annual Report and accounts, and state that they consider the Annual Report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the NHS foundation trust's performance, business model and strategy.	<ul style="list-style-type: none"> <li>Part C Section 1.1</li> </ul>
C.1.1	Directors should also explain their approach to quality governance in the Annual Governance Statement (within the Annual Report).	<ul style="list-style-type: none"> <li>Section 2.9 and Section 2.1.8</li> </ul>
C.2.1	The Annual Report should contain a statement that the Board has conducted a review of the effectiveness of its system of internal controls.	<ul style="list-style-type: none"> <li>Section 2.9 (Annual Governance Statement)</li> </ul>
C.2.2	The trust should disclose in the Annual Report if it has an internal audit function, how the function is structured and what role it performs.	<ul style="list-style-type: none"> <li>Section 6.2</li> </ul>
C.3.5	If the Council of Governors does not accept the Audit Committee's recommendation on the appointment, re-appointment or removal of an external auditor, the Board of Directors should include in the Annual Report a statement from the Audit Committee explaining the recommendation and should set out reasons why the Council of Governors has taken a different position.	Not applicable there was no appointment of the auditors made during 2015/16
C.3.9	<p>A separate section of the Annual Report should describe the work of the Audit Committee in discharging its responsibilities. The report should include:</p> <ul style="list-style-type: none"> <li>The significant issues that the committee considered in relation to financial statements, operations and compliance, and how these issues were addressed</li> <li>An explanation of how it has assessed the effectiveness of the external audit process and the approach taken to the appointment or re-appointment of the external auditor, the value of external audit services and information on the length of tenure of the current audit firm and when a tender was last conducted</li> <li>If the external auditor provides non-audit services, the value of the non-audit services provided and an explanation of how auditor objectivity and independence are safeguarded.</li> </ul>	<ul style="list-style-type: none"> <li>Section 3.6</li> </ul>
D.1.3	Where an NHS foundation trust releases an executive director, for example to serve as a non-executive director elsewhere, the remuneration disclosures of the Annual Report should include a statement of whether or not the director will retain such earnings.	Not applicable
E.1.4	Contact procedures for members who wish to communicate with governors and/or directors should be made clearly available to members on the NHS foundation trust's website and in the Annual Report.	<ul style="list-style-type: none"> <li>For governors, section 5.5 and also details on the contacts page of the report</li> <li>For directors see details on the contacts page of the Annual Report</li> </ul>

Code provision	Requirement	Section in Annual Report / explanatory statement
E.1.5	The Board of Directors should state in the Annual Report the steps they have taken to ensure that the members of the Board, and in particular the non-executive directors, develop an understanding of the views of governors and members about the NHS foundation trust, for example through attendance at meetings of the Council of Governors, direct face-to-face contact, surveys of members' opinions and consultations.	<ul style="list-style-type: none"> <li>Section 4.5</li> </ul>
E.1.6	The Board of Directors should monitor how representative the NHS foundation trust's membership is and the level and effectiveness of member engagement and report on this in the Annual Report.	<ul style="list-style-type: none"> <li>Sections 5.3 and 5.4</li> </ul>
Annual Reporting Manual additional disclosure	<p>The Annual Report should include:</p> <ul style="list-style-type: none"> <li>A brief description of the eligibility requirements for joining different membership constituencies, including the boundaries for public membership</li> <li>Information on the number of members and the number of members in each constituency</li> <li>A summary of the membership strategy, an assessment of the membership and a description of any steps taken during the year to ensure a representative membership [see also E.1.6 above], including progress towards any recruitment targets for members.</li> </ul>	<ul style="list-style-type: none"> <li>Section 5.1</li> <li>Section 5.2</li> <li>Section 5.4</li> </ul>
Annual Reporting Manual additional disclosure	The Annual Report should disclose details of company directorships or other material interests in companies held by governors and/or directors where those companies or related parties are likely to do business, or are possibly seeking to do business, with the NHS foundation trust. As each NHS foundation trust must have registers of governors' and directors' interests which are available to the public, an alternative disclosure is for the Annual Report to simply state how members of the public can gain access to the registers instead of listing all the interests in the Annual Report.	<ul style="list-style-type: none"> <li>Governors = Section 4.7</li> <li>Directors = Section 2.1.2</li> </ul>

### 2.6.3 DISCLOSURES AS PER SCHEDULE 7 OF THE LARGE AND MEDIUM SIZED COMPANIES AND GROUPS REGULATIONS 2008

This section sets out those disclosures required as per Schedule 7 of the Large and Medium Sized Companies and Groups Regulations 2008 and where these have been reported.

Table 2.6C – Disclosures and where they are reported in the Annual Report

Disclosure requirement	Statutory reference	Section in which reported
Any important events since the end of the financial year affecting the NHS foundation trust	7(1) (a) Schedule 7	Not applicable
An indication of likely future developments	7(1) (b) Schedule 7	<ul style="list-style-type: none"> <li>Section 1.1.2</li> <li>Section 2.2.1.1</li> <li>Section 2.2.1.2</li> <li>Section 2.2.1.3</li> </ul>
An indication of any significant activities in the field of research and development	7(1) (c) Schedule 7	<ul style="list-style-type: none"> <li>See the Quality Report</li> </ul>
An indication of the existence of branches outside the UK	7(1) (d) Schedule 7	Not applicable, no disclosure required

Disclosure requirement	Statutory reference	Section in which reported
Policies applied during the financial year for giving full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities	10(3) (a) Schedule 7	• Section 2.5.2
Policies applied during the financial year for continuing the employment of, and for arranging appropriate training for, employees who have become disabled persons during the period	10(3) (b) Schedule 7	• Section 2.5.2
Policies applied during the financial year for the training career development and promotion of disabled employees	10(3) (c) Schedule 7	• Section 2.5.2
Actions taken in the financial year to provide employees systematically with information on matters of concern to them as employees	11(3) (a) Schedule 7	• Section 2.5.4 • Section 2.5.7
Actions taken in the financial year to consult employees or their representatives on a regular basis so that the views of employees can be taken into account in making decisions which are likely to affect their interests	11(3) (b) Schedule 7	• Section 2.5.7
Actions taken in the financial year to encourage the involvement of employees in the NHS foundation trust's performance	11(3) (c) Schedule 7	• Section 2.5.4 and 2.5.7
Actions taken in the financial year to achieve a common awareness on the part of all employees of the financial and economic factors affecting the performance of the NHS foundation trust	11(3) (d) Schedule 7	• Section 2.5.7
In relation to the use of financial instruments, an indication of the financial risk management objectives and policies of the NHS foundation trust and the exposure of the entity to price risk, credit risk, liquidity risk and cash-flow risk, unless such information is not material for the assessment of the assets, liabilities, financial position and results of the entity	6 Schedule 7	• Section 1.2.2

#### 2.6.4 OTHER DISCLOSURES AS REQUIRED BY THE NHS FOUNDATION TRUST ANNUAL REPORTING MANUAL 2016/17 AS DETERMINED BY NHS IMPROVEMENT

The Annual Reporting Manual for 2016/17 requires a number of disclosures to be made in the Annual Report and to state where these have been reported on. The following table sets out where these disclosures have been made.

Table 2.6D – Disclosures and where they are reported in the Annual Report

Disclosure requirement	Section in which reported
Any new or significantly revised services	• Section 2.2.1.1 • Section 2.2.1.2 • Section 2.2.1.3
Service improvements following staff or patient surveys	• Section 2.2.2.1 (for service users) • Section 2.5.5.1 (for staff)
Improvements in patient / carer information	• Section 2.2.2.1
Information on complaints	• Section 2.2.2.2
Descriptions of significant partnerships and alliances entered into by the NHS foundation trust to facilitate the delivery of improved healthcare	• Section 2.3.1
Development of services involving other local services/agencies and involvement in local initiatives	• Section 2.3.1 and 2.3.2

## SECTION 2.7 – ACCOUNTABILITY REPORT (NHS Improvement Single Oversight Framework)

### 2.7.1 TABLE OF PERFORMANCE

The following tables show our regulatory performance as reported to NHS Improvement for 2015/16 (table 2.7A) and the first two quarters of 2016/17 (table 2.7B). After this period the Single Oversight Framework replaced this reporting methodology.

Table 2.7A – Regulatory performance for 2015/16

Risk ratings	As per the Annual Plan	At Q1 2015/16	At Q2 2015/16	At Q3 2015/16	At Q4 2015/16
Continuity of services risk rating	4	3	4	4	4
Governance	Green	Green	Green	Green	Green

Table 2.7B – Regulatory performance for the first two quarters of 2016/17

Risk ratings	As per the Annual Plan	At Q1 2016/17	At Q2 2016/17	At Q3 2016/17	At Q4 2016/17
Continuity of services risk rating	4	4	4	N/A See Table 2.7C	N/A See Table 2.7C
Governance	Green	Green	Green	Green	Green

### 2.7.2 COMMENTARY ON THE TRUST'S PERFORMANCE

The Trust has reported 'Green' for the category of Governance throughout 2015/16 and the first two quarters of 2016/17. During this reporting period there have been no breaches against the NHS Improvement thresholds. During quarter 3 of 2016/17 the Trust received a rating of 'Requires Improvement' from the Care Quality Commission. The Trust discussed this with NHS Improvement who indicated there would be no regulatory action and so the Trust's governance risk rating remained at 'Green'.

#### 2.7.2.1 Segmentation

The Trust was also placed in Segment 2 through the Single Oversight Framework by NHS Improvement. This means that the Trust is offered targeted support, which is voluntarily accepted, to address issues and help move the provider to Segment 1.

The Trust continues to have robust measures in place to monitor performance and quickly address areas of concern. The change in the regulatory regime has not had an impact on the Trust's ratings which have remained consistent and the Trust has not been found to have been in breach or suspected breach of its licence.

#### 2.7.2.2 Finance and use of resources

The Trust is able to report that it has a 'use of resources' measure of 1 (where 1 reflects the strongest performance). A breakdown of the financial metrics is included below and more information can be found in the financial commentary in Part A section 1.2.2 of this Annual Report.

Table 2.7C – Financial metrics for quarters 3 and 4 in 2016/17

Area	Metric	2016/17 Q3 score	2016/17 Q4 score
Financial sustainability	Capital service capacity	2	2
	Liquidity	1	1
Financial efficiency	I&E margin	1	1
Financial controls	Distance from financial plan	1	1
	Agency spend	1	1
<b>Overall score</b>		<b>1</b>	<b>1</b>

**CONFIRMATION FROM THE CHIEF EXECUTIVE**

As Chief Executive I confirm that the information in this Accountability Report (made up of sections 2.1 to 2.7 of this Annual Report) is accurate to the best of my knowledge and that I have properly discharged the responsibilities set out in the NHS Foundation Trust Accounting Officer Memorandum.

Signed  ..... Date: 25 May 2017

**Dr Sara Munro**  
**Chief Executive**

## SECTION 2.8 – STATEMENTS

### 2.8.1 STATEMENT OF THE CHIEF EXECUTIVE’S RESPONSIBILITIES FOR PREPARING THE FINANCIAL STATEMENTS

The NHS Act 2006 states that the Chief Executive is the Accounting Officer of the NHS foundation trust. The relevant responsibilities of the Accounting Officer, including responsibility for the propriety and regularity of public finance for which they are answerable, and for the keeping of proper accounts, are set out in the NHS Foundation Trust Accounting Officer Memorandum issued by the Independent Regulator of NHS foundation trusts (NHS Improvement).

Under the NHS Act 2006, NHS Improvement has directed Leeds and York Partnership NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Leeds and York Partnership NHS Foundation Trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

In preparing the accounts the Accounting Officer is required to comply with the requirements of the NHS Foundation Trust Annual Reporting Manual and in particular to:

- Observe the Accounts Direction issued by NHS Improvement, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- Make judgements and estimates on a reasonable basis
- State whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual have been followed, and disclose and explain any material departures in the financial statements
- Ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance
- Prepare the financial statements on a going concern basis.

The Accounting Officer is responsible for keeping proper records, which disclose with reasonable accuracy at any time the financial position of the NHS foundation trust and to enable them to ensure that the accounts comply with requirements outlined in the above-mentioned Act. The Accounting Officer is also responsible for safeguarding the assets of the NHS foundation trust and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in NHS Improvement’s NHS Foundation Trust Accounting Officer Memorandum.

Signed .....  ..... Date: 25 May 2017

**Dr Sara Munro**  
**Chief Executive**



## SECTION 2.9 – ANNUAL GOVERNANCE STATEMENT

This statement seeks to make assurances about the framework of internal controls put in place to identify and manage risk for the period 1 April 2016 to 31 March 2017.

### 2.9.1 SCOPE OF RESPONSIBILITY

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the NHS foundation trust's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me. I am also responsible for ensuring that the NHS foundation trust is administered prudently and economically and that resources are applied efficiently and effectively. I also acknowledge my responsibilities as set out in the NHS Foundation Trust Accounting Officer Memorandum.

### 2.9.2 THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Leeds and York Partnership NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Leeds and York Partnership NHS Foundation Trust for the year ended 31 March 2017 and up to the date of approval of the Annual Report and Accounts.

### 2.9.3 CAPACITY TO HANDLE RISK

The Board of Directors is overall responsible for the governance of the Trust. It provides high-level leadership for risk management. The directors (both executive and non-executive) have appropriate skills and experience to carry out this function effectively and each member of the Board of Directors has corporate and joint responsibility for the management of risk across the organisation.

The Board is responsible for reviewing the effectiveness of the system of internal control, including systems and resources for managing all types of risk. A Board sub-committee structure includes: a Quality Committee, Finance and Business Committee, Mental Health Legislation Committee and an Audit Committee; each has delegated responsibility for monitoring risk within their areas of responsibility, including receiving the Board Assurance Framework as per their terms of reference.

The Director of Nursing, Professions and Quality has overall lead responsibility for the development and implementation of organisational risk management, including local security management. However, all executive directors have responsibility for the effective management of risk within their own area of responsibility. The Chief Financial Officer (CFO) has delegated responsibility for managing the development and implementation of financial risk (including counter-fraud). The CFO also has, within their portfolio, the role of Senior Information Risk Officer (SIRO). The Medical Director is the Caldicott Guardian and Responsible Officer. The responsibility for risk management is also clearly communicated to all staff and is included within job descriptions.

#### 2.9.3.1 Staff training

The organisation provides compulsory training that all staff must complete in order to comply with legislative and regulatory standards. The composition of compulsory training programmes for different groups of staff has been risk assessed to ensure these are targeted, and that appropriate packages of training are in place. We have in place systems for monitoring the uptake of compulsory training, which includes reporting to the Quality Committee and to the Board of Directors.

Risk management training and awareness is included in the compulsory health and safety training and is supported by local induction. The Trust's risk management team delivers specific risk management training at all levels across the Trust.

### **2.9.3.2 Incident reporting and capacity to learn**

The Trust actively encourages an open and honest culture of reporting incidents, risks and hazards, and incidences of fraud and uses such reports as an opportunity to learn and improve. A comprehensive programme of investigation and follow-up of all incidents is in place. The Trust Incident Review Group (TIRG), which includes non-executive director representation, has responsibility for reviewing in detail all serious incidents using root-cause analysis methodology. Lessons learnt from incidents are considered by the Board of Directors, the Quality Committee, the Trust Incident Review Group and are also reported to the Council of Governors.

The Head of Clinical Governance produces a biannual Learning to Improve report that brings together information about serious incidents, complaints, claims and PALS enquiries. This is presented to the Quality Committee and feeds into the Care Group Clinical Governance Councils to ensure learning from incidents.

The Trust also seeks to learn from good practice (both internal and external to the Trust) through a range of mechanisms including benchmarking; clinical supervision and reflective practice, individual and peer reviews, continuing professional development programmes; clinical audit and the application of evidence-based practice. Points of learning from any of these sources and potential changes in clinical practice are reviewed as necessary by the Quality Committee.

### **2.9.3.3 NHS Litigation Authority risk management standards**

The Trust is committed to effective and timely investigation and response to any claim. The Trust follows the requirements of the NHS Litigation Authority (NHSLA) in the management of claims.

- Clinical negligence claims are covered by the NHS Litigation Authority Clinical Negligence Scheme for Trusts (CNST). The CNST handles all clinical negligence claims against the Trust. The Trust is the legal defendant, however, the NHSLA takes over full responsibility for handling the claim and meeting the associated costs
- Employer liability claims are covered by the NHS Litigation Authority Risk Pooling Scheme for Trusts (RPST) and Liability to Third Parties Scheme (LTPS). LTPS covers employers' liability claims, from straightforward slips and trips in the workplace to serious manual handling, bullying and stress claims. In addition, LTPS covers public and products liability claims, from personal injury sustained by visitors to NHS premises to claims arising from breaches of the Human Rights Act, the Data Protection Act and the Defective Premises Act
- Public liability claims are handled as above
- Claims in respect of loss or damage to Trust property are covered by the NHS Litigation Authority RPST Property Expenses Scheme (PES).

## **2.9.4 THE RISK AND CONTROL FRAMEWORK**

The Trust has in place a comprehensive Risk Management Policy and is available to all staff on Staffnet. The purpose of this policy is to ensure that the Trust manages risks in all areas using a systematic and consistent approach. It provides the framework for a robust risk management process throughout the Trust. The document describes the Trust's overall risk management process and the Trust's risk identification, evaluation and control system.

All risks are assessed using an electronic system for recording and managing risk assessments, which is available through Staffnet. This system is used by staff to assess and record risk assessments, scoring risks using a 5 x 5 assessment of likelihood and impact. Risks are then captured on the appropriate risk register which could be local, directorate, corporate or strategic.

Clinical risk management is based on a structured clinical assessment model under-pinned by CPA and supported by decision-making aids.

Business, financial and service delivery risks are derived from organisational objectives through the business planning process. Clinical and non-clinical risks are identified through a well-defined process of assessment and reporting.

#### **2.9.4.1 The Board Assurance Framework**

The Board Assurance Framework (BAF) is one of the key risk assurance tools for the Board. It contains the principal risks to the achievement of the organisation's strategic objectives, which are taken from the strategic risk register. The BAF enables the Board, primarily through its Board sub-committee structure, to monitor the effectiveness of the controls required to minimise the principal risks to the achievement of the Trust's objectives and therefore provides evidence to support this Annual Governance Statement.

The BAF is formally reviewed by the Board, the Audit Committee at least twice a year. The relevant sections of the BAF are also reviewed by the Board sub-committees for those risks where they are named as assurance receivers. The BAF has been audited in-year and found to be fit-for-purpose with significant assurance being given to its governance process.

#### **2.9.4.2 Quality governance arrangements**

The Trust has established a Performance Information and Data Quality Group to review all data that makes up reports that are sent to our commissioners or go to central data sites. The group meets monthly in order that the data is checked as contemporaneously as possible. It is then signed off by the Executive Team and submitted to the commissioners. Part of the remit of this group is to identify data quality issues and put plans in place to take action to mitigate against them.

The Trust is registered with the CQC without conditions, and is fully compliant with the registration requirements, although there are a number of compliance actions in place which the Trust is addressing as a matter of priority. Compliance with the Care Quality Commission (CQC) essential standards of quality and safety are one of the elements of the organisation's risk management process.

To manage any risk of noncompliance with the CQC registration the Trust has a CQC Fundamental Standards Group established which meets monthly to monitor progress against the CQC action plan and to identify any risks which require immediate action. All actions and supporting evidence would have previously been agreed and signed off in the relevant Clinical Governance Forum. The Trust has a Quality Review process to support all areas to attain a rating of "Good" or "Outstanding." This process was suspended following the CQC inspection in July 2016 while action plans were being developed. It will recommence in 2017/18.

In July 2016 we received a comprehensive inspection from the CQC and in November 2016 our report was published which gave us a rating of 'Requires Improvement'. The Trust submitted its action plan to the CQC within the December deadline and has a robust process to manage its completion through the CQC Fundamental Standards Group, which is chaired by the Director of Nursing, Professions and Quality. A bespoke electronic tracker has been devised to monitor due dates, record evidence of actions and in which governance meeting the action was signed off. This provides an audit trail and assurance for the CQC Fundamental Standards Group who then report to the Quality Committee and in turn the Board.

#### **2.9.4.3 Fraud, corruption and bribery**

The Trust has procedures in place that reduce the likelihood of fraud, corruption and bribery occurring. These include an Anti-fraud and Bribery Procedure, Standing Orders, Standing Financial Instructions, documented procedures, a system of internal control (including internal and external audit) and a system of risk assessment. In addition, the Trust seeks to ensure that a comprehensive anti-fraud, corruption and bribery culture exists throughout the Trust via the appointment of a dedicated Local Counter-fraud Specialist in accordance with the standards for provider contracts.

Our LCFS has conducted work across all generic areas of counter-fraud activity, placing emphasis on the continued anti-fraud culture within our Trust and the prevention of fraud. Presentations at staff induction sessions and to selected groups of staff have been undertaken. The LCFS has continued to be proactive in their work and our staff have continued to be alerted to potential and real fraud risks.

#### **2.9.4.4 Principle risks to compliance with licence Condition 4.2 of FT4 (FT Governance)**

The Trust has put in place measures to ensure that the Board is able to confirm compliance with Licence Condition 4.2 of FT4 (FT Governance). This includes a governance structure with three locally-determined Board sub-committees, over and above those required in statute (the Quality Committee, the Finance and Business Committee and the Mental Health Legislation Committee). This ensures that members of the Board (particularly non-executive directors) are more closely involved in the governance of the organisation and assurance on the quality of services (clinical and non-clinical). There is also a structure beneath the Executive Team to support executive directors in delivering their individual portfolios to support the Chief Executive in carrying out their duties as Accounting Officer.

The Board of Directors and all its committees and sub-committees have agreed terms of reference setting out accountabilities and the delegated authority they have been given by the Board to carry out work on its behalf. The Trust has in place all the necessary statutory documentation including a constitution, a scheme of delegation and matters reserved to the Board. The Trust also has a Corporate Governance Strategy which describes the framework for corporate governance and which references all the documents that sit within that framework. All members of the Board have role descriptions, clearly setting out their duties and areas of accountability and there is a signed memorandum of understanding between the Chair and Chief Executive, setting out their respective responsibilities, all Board members have been deemed to be Fit and Proper in accordance with the CQC standard.

On a quarterly basis the Board receives an Integrated Quality and Performance Report that details compliance with, and achievement of all regulatory, contractual and local targets. It also receives at all other Board meeting an exception report for these targets and measures; however, these exception reports include full financial information. The Board and its sub-committees receive timely and accurate information to its meetings in accordance with its scheduled cycle of business and will scrutinise performance relating to their area of responsibility. Performance is also reported to the Council of Governors and governors are provided with an opportunity of holding the non-executive directors to account for the performance of the Board.

In February 2017, as part of a programme to review the Trust's governance arrangements, the Chief Executive has requested a review of the reporting structures and mechanisms to be carried out by Deloitte LLP. The aim of this review is to ensure structures and mechanisms are fit for purpose and to develop an Assurance and Accountability Framework including a clear line of sight from ward to Board and the escalation of risks and issues. This work is expected to conclude in early 2017/18.

#### **2.9.4.5 Corporate Governance Statement**

The Corporate Governance Statement (CGS) has been prepared in accordance with the guidance issued by NHS Improvement; its completion in 2016/17 was co-ordinated by the Head of Corporate Governance. Evidence of compliance or risks to compliance with each of the standards in the CGS was provided by a responsible senior manager (identified for each condition). This was then approved by an identified director before the entire document was submitted to the executive directors for consideration and the Audit Committee for assurance about the process.

The Board then received and considered the CGS at its meeting on 25 May 2017 for it to be signed.

#### **2.9.4.6 Public stakeholders**

The Trust involves public stakeholders in identifying and managing risks to its strategic objectives in a number of ways. These include:

- Working in partnership to develop system-wide plans affecting stakeholders across Leeds and West Yorkshire through the STP process.
- Participating within the citywide strategic partnership group for mental health
- Working with partners in health and social services in developing and considering business and service change. The Trust has a framework for managing change to services agreed as part of its contracts with its main commissioners. The Trust also has good relationships with Overview and Scrutiny Committees
- Active relationships with Healthwatch and service user and carer groups, working with these groups on the management of service risks and change
- An Associate Director of Strategy and Partnerships reporting directly to the Chief Operating Officer, having responsibility for sustaining effective relationships with key public stakeholders
- Active engagement with governors on strategic, service, and quality risks and changes including active engagement in the preparation of the Quality Report and the setting of strategic priorities.

#### **2.9.4.7 NHS Pension Scheme control measures**

As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employer obligations contained within the scheme's regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments to the scheme are in accordance with the scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the regulations.

#### **2.9.4.8 Equality, diversity and human rights control measures**

Control measures are in place to ensure that the organisation's obligations under equality, diversity and human rights legislation are complied with.

The Board has arrangements in place to ensure that the Foundation Trust complies with the Equality Act 2010. It has approved equality objectives for 2016 to 2018 and an annual assessment is undertaken using the Equality Delivery System framework.

Evidence that issues specific to equality and diversity have been considered is required before policy decisions are made. Those concerned with the development of procedural documents are required to screen for equality relevance and carry out full impact assessments where potential inequalities are identified. Equality analysis screening is required as part of the governance and ratification processes for all new and revised procedural documents as detailed in the Trust's Procedure for the Development and Management of Procedural Documents.

In addition a revised equality impact process is in place for all major service redesign projects to strengthen risk management processes. Assessment and screening is required at the project initiation stage as part of the project governance and approval process.

#### **2.9.4.9 Carbon reduction delivery plans**

The Trust has undertaken risk assessments, and carbon reduction delivery plans are in place in accordance with emergency preparedness and civil contingency requirements, as based on UKCIP 2009 weather projects, to ensure that the Trust's obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

### **2.9.5 KEY RISKS FOR THE ORGANISATION**

Key risks for the organisation are those that have been identified as strategic risks on the Strategic Risk Register. In summary these are:

- A failure to meet deadlines for the implementation of agreed procedures, systems and improvements for all compliance actions notified to CQC which may impact adversely on the Trust's rating

- The potential for a cyber-attack, malicious hacking or system virus infection and the detrimental impact on the Trust's ICT infrastructure
- The potential for the Trust not to maintain a strong financial position
- An increasing number of clinical vacancies in Care Services which could adversely impact on the Trust's ability to deliver high quality care
- The failure to recruit or retain sufficient staff at Clifton House and the impact this may have on the ability to continue to deliver the required level of service at the unit
- The impact on the care environment of providing services from premises that are not in direct ownership of Trust
- The workforce not being sufficiently equipped or sufficiently engaged to deliver new models of care
- Being constrained by the lack of an agreed clinical services plan and the potential impact this has on having a clear plan for the use of the Trust's estate
- The failure to achieve 85% compliance for compulsory training
- The impact on staffing levels, working practice and policies and procedures brought about by a change in the law and related regulation due to Brexit.

Each of these risks has an identified executive director and management lead. These risks will be managed through the risk management, risk register and operational planning processes and reported to the Executive Team, Senior Management Group and the relevant Board sub-committee via the Board Assurance Framework.

Behind each risk is a detailed risk assessment which sets out the controls and mitigations. The strategic risk register is regularly reviewed by the Executive Team and the positive impact of the mitigations assessed. The Audit Committee also receives a high-level report twice each year which indicates risk movement and hence the impact of risk management plans.

## **2.9.6 REVIEW OF ECONOMY, EFFICIENCY AND EFFECTIVENESS OF THE USE OF RESOURCES**

We have a comprehensive system for setting strategic objectives and priorities. Our strategic intent set out in our Trust Strategy (2013-2018), and five-year Strategic Plan (2014-2019) was fully aligned with national policy at the time of writing. Since that time a number of significant developments have affected this intent, these include the publication and emerging implications of the 5 Year Forward View, the contract loss of general mental health and learning disability services commissioned by the Vale of York CCG, and the emergence of Sustainability and Transformation Plans.

We are currently in the process of reimagining our 5 year organisational strategic plan, and the supporting plans that will help to deliver our strategy. The strategy is based on the Board's analysis and plans to help support our local and regional STPs, and our one year Operational Plan 2017/2018. We expect to launch our strategy early in 2017/18.

In 2016 we decided to re-imagine our Trust strategy in response to the many changes which have happened both within our organisation and in the wider world around us. Our new Trust strategy describes what we want to achieve over the next five years (to 2022) and how we plan to get there. The strategy is designed around the three key elements: outcomes and wellbeing; workforce; and partnerships.

Re-imagining our strategy has given us the opportunity to go back to people who use our services, carers, staff and partners to determine what our goals and strategic objectives should be for the next five years; and to help us develop a list of priorities for action.

Our new five strategic objectives describe what we need to do to achieve our goals, with clear measures demonstrating how we have achieved our goals and objectives. Strategic objective 5 sets out our priorities to invest our resources to achieve effective and sustainable outcomes for service users. We are in the process of agreeing our measures to ensure that the Board of Directors is able to monitor compliance with achieving this objective. These measures are monitored through the Programme Management Office with progress being reported to the Finance and Business Committee and to the Board of Directors.

The financial strategy for the coming year is set out in the Trust's two-year Operational Plan. This shows on a projected basis what the expected financial performance for the coming year is to be. There is in place a comprehensive process for developing the plan with there being consultation with the Council of Governors and sign-off by the Board of Directors prior to submission to NHS Improvement. To be assured of progress against the plan (both financial and operational) the Board receives a quarterly update with the Executive Team and the Programme Management Office taking operational control.

As part of the annual planning process we are required to identify our Cost Improvement Plans (CIPs). All our CIPs have been through the standard quality and delivery impact assessment process, with a CIP pro-forma being completed for each individual scheme. Each scheme has been scored and electronically signed off by both the Medical Director and the Director of Nursing, Professions and Quality and is monitored through the Programme Management Office. From 1 April 2017 we will establish a CIP assurance group which is responsible for ensuring the delivery of our CIP programme, maintaining oversight of the quality impact and mitigation plans and aiding the development of new schemes. This will strengthen the governance arrangements around our cost improvement processes which have been previously endorsed by our commissioners. At the end of 2016/17, the Trust managed to mitigate the CIP plan shortfall. Work has been undertaken to look at all schemes (those carried forward from 2016/17 and those new for 2017/18) to ensure they are realistic and achievable.

The Quality Committee is routinely assured on the impact and mitigations of all CIP schemes to ensure we are maintaining the quality and delivery of our services. The Finance and Business Committee on a quarterly basis receives the financial progress against each individual scheme. The Board of Directors is also advised of progress with our Cost Improvement Plans via the quarterly Operational Plan progress report.

The Trust operates within a well-defined corporate governance framework, with financial governance being set out through a number of documents including the Corporate Governance Policy, Standing Financial Instructions, financial procedures, the Scheme of Delegation and Matters Reserved to the Board of Directors. This framework includes explicit arrangements for:

- Setting and monitoring financial budgets
- Delegation of authority for committing resources
- Performance management
- Achieving value for money.

The Trust receives its core accounting systems and processes from third parties. The main accounting functions are provided by NHS Shared Business Services Ltd. Assurance is provided to the Trust through the Statement of Auditing Standards (SAS) No. 70, prepared by NHS Shared Business Services independent auditors. This internationally-recognised auditing standard signifies that a service organisation has had its control objectives and control activities examined by an independent accounting and auditing firm.

David Brewin to update

The payroll service is provided by the Leeds Teaching Hospitals NHS Trust (LTHT). Assurance is received from LTHT and its internal auditors regarding both the performance and controls associated with the Electronic Staff Record (ESR) system, which concludes that the payroll function is operational within an environment of effective control.

The structures that have been applied in maintaining and reviewing economy, efficiency and effective use of resources include:

- **The Board of Directors** which receives reports on any significant events or matters that affect the Trust. The Board also receives the Integrated Quality and Performance Report quarterly which reports on performance against the Trust's regulatory, contractual and internal targets and standards both non-financial and financial; the Board Assurance Framework; progress against strategy and operational plan measures; and minutes from its sub-committees including the Audit Committee

- **Internal Audit** (NHS Audit Yorkshire) provides an independent and objective opinion on the degree to which risk management, control and governance support the achievement of the Trust's objectives. The audit plan is derived from an assessment of risk areas within the Trust and includes all areas where Internal Audit is named in the Board Assurance Framework as a provider of assurance on the effectiveness of key controls.

Internal Audit reports issued in the year have generated a 'significant assurance' opinion:

"Significant assurance is given that there is a generally sound system of internal control, designed to meet the organisation's objectives, and that controls are generally being applied consistently. However, some weakness in the design and / or inconsistent application of controls put the achievement of particular objectives at risk."

Whilst a significant overall opinion has been provided, attention is drawn to the fact that there have been five reports issued in 2016/17 with a 'limited assurance' opinion which are detailed below.

- **LY14/2017 Serious Incidents**

The audit of the processes for managing serious incidents demonstrated that although significant work has been undertaken to improve the Serious Incident process by the Trust there are delays in the process that have resulted in the Trust failing to achieve the 60 day target for Serious Incident Investigations.

- **LY16/2017 Risk Management**

A Limited Assurance opinion was awarded in 2015/2016 for the embedding of the risk Management Policy at an operational level at the Trust. In the most recent audit it was confirmed that work has been undertaken by the Trust to address the previous recommendations but further work is required to effectively embed these.

- **LY18/2017 Clinical Records and Record Keeping (Data Quality)**

The objective of the review was provide assurance that systems and processes are in place to ensure that service user data entered into the Paris patient record system meets the standards for recording data set by the Trust. Previous audits in this area have provided Significant Assurance.

- **LY19/2017 Management of Sickness Absence**

The Trust has a comprehensive procedure in place providing guidance to managers on managing sickness absence. However, requirements in the procedure in relation to updating FirstCare have not been consistently complied with. In addition, timescales for completing return to work interviews were not being consistently applied

- **LY22/2017 Safeguarding**

It was concluded that whilst staff were confident that they could identify safeguarding concerns they were not clear about where safeguarding issues should be recorded on PARIS. They also reported difficulties in locating historic safeguarding information on the PARIS system.

- **External Audit** (PricewaterhouseCoopers LLP) provides audit scrutiny of the annual financial statements, and the Trust's economy, efficiency and effectiveness in its use of resources. External audit also provides assurance through the review of systems and processes as part of the annual audit plan

- **The Audit Committee** is a sub-committee of the Board of Directors, the membership of which is made up of non-executive directors, and it reports directly to the Board. The committee has responsibility for being assured in respect of the Trust's internal controls, including risk management, and for overseeing the activities of internal audit, external audit and the local counter-fraud services.

The committee executes this role by approving the annual plans for internal and external audit and counter-fraud; receiving reports and updates against those plans; reviewing risks and the Board Assurance Framework; carrying out deep-dives into any area where further assurance is required on an area of risk

- **Board sub-committee structure** is made up of three locally determined committees; the Quality Committee, the Mental Health Legislation Committee and the Finance and Business Committee, each of which has responsibility for assurance in areas of clinical and financial performance and compliance. The Board also has two further statutory committees: the Nominations Committee and the Remuneration Committee. Each of the Board sub-committees are chaired by a non-executive director, with the Remuneration Committee being made up wholly of non-executive directors.

## 2.9.7 INFORMATION GOVERNANCE

### 2.9.7.1 Incidents relating to information governance

Below is an analysis of our information governance incident reporting records for 2016/17. This shows 14 incidents that have sensitivity factors that classify them as a Serious Incident Requiring Investigation (SIRI), reported via the national online tool.

#### Summary of incidents involving personal data as reported to the Information Commissioner's Office in 2016/17

Date of incident (month)	Nature of incident	Nature of data involved	Number of people potentially affected	Notification steps
Jan-16*	Unauthorised Access/Disclosure	Inappropriate access to electronic patient record	1	DoH / ICO notification via NHS Digital website
Apr-16	Disclosed in Error	Patient letter sent to wrong address	1	DoH / ICO notification via NHS Digital website
May-16	Disclosed in Error	Patient letter included information relating to another patient	1	DoH / ICO notification via NHS Digital website
Jun-16	Disclosed in Error	Patient assessment letter sent to wrong address	1	DoH / ICO notification via NHS Digital website
Jul-16	Disclosed in Error	Patient letter copied to an inappropriate recipient	1	DoH / ICO notification via NHS Digital website
Aug-16	Lost or stolen paperwork	Patient notes lost in service.	1	DoH / ICO notification via NHS Digital website
Sep-16	Disclosed in Error	Patient letter sent to wrong address	1	DoH / ICO notification via NHS Digital website
Sep-16	Disclosed in Error	Highly sensitive information left in glove-box of loan car	1	DoH / ICO notification via NHS Digital website

Date of incident (month)	Nature of incident	Nature of data involved	Number of people potentially affected	Notification steps
18-Oct-16	Unauthorised Access/Disclosure	Inappropriate access to electronic patient record	1	DoH / ICO notification via NHS Digital website
18-Oct-16	Unauthorised Access/Disclosure	Inappropriate access to electronic patient record	1	DoH / ICO notification via NHS Digital website
08-Nov-16	Disclosed in Error	Patient letter sent to wrong address	1	DoH / ICO notification via NHS Digital website
08-Dec-16	Unauthorised Access/Disclosure	Highly sensitive data dropped on ward, found by patient	12	DoH / ICO notification via NHS Digital website
08-Dec-16	Disclosed in Error	Patient removed printouts relating to 2 other patients from printer on ward	2	DoH / ICO notification via NHS Digital website
21-Feb-17	Disclosed in Error	Patient letter sent to wrong address	1	DoH / ICO notification via NHS Digital website
Further action taken	<p>A local senior management fact-find has been undertaken in the wake of each incident and process improvements and / or disciplinary actions have been actioned, where appropriate, to prevent recurrence.</p> <p>Although no regulatory action has been taken by the ICO, we have enacted recommendations where appropriate including communications to Trust staff via e-mail broadcast and a hard-copy mailshot attached to payslips.</p> <p>We will continue to monitor and assess information governance breaches. When weaknesses in systems or processes are identified there will be interventions undertaken. Low-level and near-miss events will be monitored and when there are common themes we will undertake Trust-wide communications to address these themes. We will continue to support information governance training via the national e-learning tool. All staff to undertake annual refresher training as a reminder of their information governance obligations.</p>			
* Note	Items indicated * were reported 'in year', but the incident occurred prior to the current reporting year.			

The Trust has a robust Information Governance function and framework that utilises subject matter expertise from IG, ICT, networks, informatics, health records and systems administration. The Trust's Senior Information Risk Owner (SIRO) (Chief Financial Officer) and Caldicott Guardian (Medical Director) are members of this group. The group is a sub-group of the Finance and Business Committee, thereby maintaining a reporting line to the Board of Directors as required by regulation. It maintains effective links with the Trust's clinical teams by the escalation of incidents to the Care Services Senior Management Group.

The group monitors IG breach incidents, maintaining oversight of level 2 SIRI breaches, as well as triggering appropriate responses to clusters or themes of low-level non-SIRI incidents.

### 2.9.7.2 Data security

The Trust recognises that our approach to information security requires, as described in the seventh Data Protection Principle, both a technical and organisational approach.

The Trust has a highly developed and mature approach to information governance, which includes high compliance with staff IG training and a comprehensive suite of IG-related procedural documents, giving instruction and regulation to our staff. The Trust deploys the mandatory public sector safeguards recommended by the HM Government Cabinet Office "Data Handling Procedures in

Government”; including the operation of secure network storage, port control and the provision of encrypted digital media, and the encryption of high-risk portable computing resources.

The Trust continues to use NHS mail, facilitating secure digital communications with other NHS partners and the wider public sector via the Government Secure Intranet (GSI).

Senior managers in ICT receive the NHS Digital “CareCERT” broadcasts, to maintain an awareness of current information security threats so that timely and appropriate action can be taken where necessary. This has been further enhanced in 2016/2017 with the establishment of a CareCERT action tracking solution, with all CareCERT-reported threats recorded, assessed for exposure and potential impact, with solutions tracked, implemented and reported monthly to the IG Group.

The Trust is currently awaiting the imminent release of a revised national NHS IG Training offering, which we are aware will contain both refreshed content on IG in a healthcare context and entirely new content on the user aspects of information / cyber security.

We have a robust approach to business continuity (BC) / disaster recovery (DR) within ICT, with senior management taking ownership of developing BC/DR plans for their services. Work is under way to align ICT BC/DR with clinical service system criticality. Review cycles of current plans are undertaken in response to any actual or near-miss BC/DR events.

The Trust made a self-assessment against the Information Governance Toolkit of ‘satisfactory’ / green overall as at 31 March 2017, achieving Level 2 or higher for all IG requirements.

## **2.9.8 ANNUAL QUALITY REPORT**

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial year. NHS Improvement (in exercise of the powers conferred on Monitor) has issued guidance to NHS foundation trust boards on the form and content of Annual Quality Reports which incorporate the above legal requirements in the NHS Foundation Trust Annual Reporting Manual.

The Director of Nursing, Professions and Quality is the executive director with the responsibility for lead on quality including the Quality Report. The Quality Committee enables the Trust to report directly to the Board on issues of quality governance and risks that may affect the service user’s experience, outcome or safety.

To ensure the Quality Report presents a properly balanced picture of the Trust’s performance over the year, the report goes to the Quality Committee which is chaired by a non-executive director with a lead on quality and has a number of clinical leads and service users as members.

The performance information included in the Quality Report is in line with the performance information reported to the Executive Team, the Board of Directors and the Council of Governors through the following mechanisms:

- Performance reports to the Board of Directors, which set out performance against external requirements including NHS Improvement targets, the Single Oversight Framework and our contractual requirements with our main commissioners
- Assurance regarding maintaining CQC registration requirements is managed through the monthly CQC Fundamental Standards Group which then reports to the Quality Committee.
- Performance reports to the Council of Governors
- Monthly reports to the Executive Team and quarterly reports to the Board of Directors which set out performance against CQUIN requirements
- Submissions to the Board of Directors for sign-off on our performance against Care Quality Commission Registration Regulations
- Quarterly submissions to the Board of Directors for sign-off on our performance against NHS Improvement targets.

There are systems and processes in place for the collection, recording, analysis and reporting of data which will ensure this is accurate, valid, reliable, timely, relevant and complete. All data to be submitted to commissioners is reviewed in the Performance Information and Data Quality Group on a monthly basis before it is presented to the Executive team and Board for sign off.

To manage the risk of there being incorrect data, the Trust has a Data Quality Policy which clearly identifies roles and responsibilities for the collection and input of service user information into patient records' systems. The Data Quality Team deals with erroneous entries and there are systems and processes in place to alert relevant managers of any issues in order to ensure that data presented in the Quality Report is both accurate and reliable. A data quality warehouse is used to ensure that data quality issues are dealt with proactively and quickly to maintain data integrity.

### **2.9.9 REVIEW OF EFFECTIVENESS**

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit, and the executive managers and clinical leads within the Leeds and York Partnership NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the content of the Quality Report attached to this Annual Report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee, the Quality Committee, the Finance and Business Committee, and the Mental Health Act Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

I have drawn on the content of the performance information available to me. My review is also informed by comments made by the external auditors in their management letter; the Head of Internal Audit Opinion other audit reports. I have been advised on the effectiveness of the systems of internal controls by: the Board of Directors; the Audit Committee; the Quality Committee; the Finance and Business Committee; and the Mental Health Legislation Committee; the Board Assurance Framework; and internal audit reports. I have also been advised by leadership from the executive directors with regard to risk reporting (clinical and non-clinical), implementing learning, and plans to address weaknesses and ensure continuous improvement of the systems in place.

### **2.9.10 CONCLUSION**

In summary, the Trust has a sound system of internal control in place, which is designed to ensure delivery of the Trust's goals and strategic objectives and to manage and minimise exposure to risks.

I am satisfied that the process for identifying and managing risks is robust and dynamic as evidenced above. I am also satisfied that the Trust is doing all it can to mitigate the risks that have been identified and has in place a sufficient system of internal control to manage the strategic and other organisational risks.



**Dr Sara Munro**  
**Chief Executive**

Date: 25 May 2017

## SECTION 3 – THE BOARD OF DIRECTORS (further information)

### 3.1 INTRODUCTION

The Board of Directors is the legally responsible body for the day-to-day management of the organisation and is accountable for the operational delivery of services, targets and performance, as well as the definition and implementation of our strategy. It has a duty to ensure the provision of safe and effective services for its service users. It does this by having in place effective governance structures and by:

- Establishing and upholding our values and culture
- Setting the strategic direction
- Ensuring we provide high quality, safe, effective and service user focused services
- Promoting effective dialogue with our local communities and partners
- Monitoring performance against our objectives, targets, measures and standards
- Providing effective financial stewardship
- Ensuring high standards of governance are applied across the organisation.

The Chair of the Trust is responsible for ensuring that the Board of Directors focuses on the strategic development of our organisation and for ensuring robust governance and accountability arrangements are in place. The Chair of the Trust chairs both the Board of Directors and the Council of Governors and ensures there is effective communication between the two bodies and that where necessary the views of the governors are taken into account by the Board.

Whilst the executive directors individually are accountable to the Chief Executive for the day-to-day operational management of the organisation they, along with the non-executive directors, are part of the unitary Board. They all share corporate responsibility and liability for ensuring that our Trust operates safely, effectively and economically. They do this by making objective decisions in the best interests of the Trust. The non-executive directors will assure themselves of performance by holding the executive directors to account for the achievement of the agreed goals, objectives, targets and measures.

The Board sets out the Trust's vision, values and standards of conduct, whilst ensuring that its obligations to its members are understood, clearly communicated and met. This is achieved by ensuring that the Board is made up of individuals who have the appropriate balance of skills, experience, independence and knowledge to enable the Board to discharge its duties and responsibilities effectively. The Board provides entrepreneurial leadership in a transparent manner and supports Trust staff in accordance with NHS values and accepted standards of behaviour in public life, including the Nolan Principles of:

- Selflessness
- Integrity
- Objectivity
- Accountability
- Openness
- Honesty
- Leadership.

The Board will reserve certain matters to itself and will delegate others to specific committees and executive directors. Details of this are set out in a document called *Reservation of Powers to the Board of Directors and Council of Governors and Schedule of Decisions/Duties Delegated by the Board of Directors*. Copies of this document are available on our website [www.leedsandyorkpft.nhs.uk](http://www.leedsandyorkpft.nhs.uk).

## 3.2 COMPOSITION OF THE BOARD OF DIRECTORS

### 3.2.1 Non-executive directors

Our non-executive director (NED) team is made up of seven non-executive directors including a non-executive Chair. During 2016/17 there were three new NED appointments: Prof John Baker was appointed with effect from 1 September 2016, Sue White with effect from 7 November 2016 and Jacki Simpson with effect from 15 February 2017. The Council of Governors also appointed out new Chair, Prof Sue Proctor who took up post on 1 April 2017. More detailed information about our non-executive directors is set out in the Remuneration Report in Part A section 2.4 of this Annual Report.

### 3.2.2 Executive directors

The executive director team is made up of six executives, including the Chief Executive. The team is made up as follows:

Chief Executive	Medical Director
Chief Financial Officer and Deputy Chief Executive	Director of Nursing, Professions and Quality
Chief Operating Officer	Director of Workforce Development

There have been a number of changes in the executive director team during 2016/17. Dr Sara Munro was appointed as Chief Executive from 5 September 2016, Dr Jim Isherwood stepped down as Medical Director from 30 September 2016 and Dr Wendy Neil, who is the Deputy Medical Director, oversaw the statutory functions of the Medical Director on an interim basis until Dr Claire Kenwood was appointed with effect from 1 March 2017. Finally, in 2016/17 Joanna Forster-Adams was appointed as the Chief Operating Officer. She will take up her position in July 2017 and Lynn Parkinson will continue as Interim Chief Operating Officer until Joanna joins the Trust.

### 3.2.3 Members of the Board of Directors

Information about the members of our Board of Directors on 31 March 2017 can be found in Part A section 2.1.1 of this Annual Report.

## 3.3 PROFILE OF MEMBERS OF THE BOARD OF DIRECTORS

### Prof Sue Proctor, Chair of the Trust

Prof Sue Proctor is the Chair of the Trust Board. This body is responsible for the strategic direction of the organisation. As Chair, along with the non-executive directors, her role is to hold the Chief Executive and her executive team to account for the delivery of the organisation's strategic aims and objectives. Sue chairs the Board of Directors and the Council of Governors.

Sue has expertise in leadership development, corporate and clinical governance, safeguarding, strategic planning and delivery. She has a passion for improving services for service users and carers by working in partnership with them.

Sue has over 30 years of experience in health care; qualifying as a nurse in 1987 and a midwife in 1990. She has extensive leadership experience in the NHS, including seven years as an executive director, and four years as a non-executive director. From 2010 to 2013 she was Chief Officer at the Diocese of Ripon and Leeds.

She currently runs a management consultancy working with charity and faith-based organisations. She has strong links with higher education as a former member of the University of Leeds Council and a Visiting Professor at Leeds Beckett University. Currently, she is Chair of the Strategic Safeguarding Group for the Diocese of York, and a lay member of the Veterinary Nursing Council at the Royal College of Veterinary Surgeons.

In the last few years, she has led two extensive and complicated investigations into allegations of historical sexual abuse. From 2013 to 2014, she chaired the independent investigation into matters relating to Jimmy Savile at Leeds Teaching Hospitals NHS Trust and then led the national NHS Savile Legacy Unit overseeing 16 subsequent Savile-related NHS investigations. In 2016, she led an investigation into abuse at a former children's home in Kent.

From August 2013 Sue was Vice Chair of Harrogate and District NHS Foundation Trust; she was a member of their Audit Committee and the Quality Committee, as well as being the non-executive lead for research and development within the Trust.

#### **Professor John Baker, Non-executive Director (Chair of the Quality Committee)**

Prof Baker's role on the Board is to hold the Chief Executive and her executive team to account for the delivery of the organisation's strategic aims and objectives. He is also the Chair of the Quality Committee.

By holding the executive directors to account he is able to be assured that services are provided in the most effective and efficient way. As Chair of the Quality Committee he can be assured that we provide high quality service. He can also be assured that we make the best use of research and evidence based practice to benefit the development of our services.

John has a passion for ensuring that quality is at the heart of what we do and for ensuring that the voice of our service users and carers is heard and able to influence the way in which we provide our services.

John is a registered mental health nurse and nurse teacher with the Nursing, Midwifery Council with 20 years clinical and academic experience. He has a strong international reputation as a leading mental health nurse, researcher and clinical academic and is a Professor of Mental Health Nursing at the University of Leeds.

#### **Jacki Simpson, Non-executive Director**

Jacki's role on the Board is to hold the Chief Executive and her executive team to account for the delivery of the organisation's strategic aims and objectives. In 2017/18 she was appointed as a member of the Audit Committee.

By holding the executive directors to account Jacki is able to be assured that services are provided in the most effective and efficient way. She has a wealth of experience in the specialist area of workforce and wants to ensure that the best for staff is achieved by our Trust, that they feel valued and that we become an employer of choice. She is passionate about this because a well trained and motivated workforce has a hugely positive impact on the care that our service users will experience.

Jacki has worked for Sainsbury's since 2006 and has held a variety of roles, most recently as Zone Managing Director for the North. She has also held the positions of HR Director (Retail and Operations), Director of Colleague Engagement and Director of Customer Service at Sainsbury's. Before joining Sainsbury's she also worked at Asda and Marks & Spencer.

#### **Margaret Sentamu, Non-executive Director (Deputy Chair until 16 February 2017)**

Margaret's role on the Board is to hold the Chief Executive and her executive team to account for the delivery of the organisation's strategic aims and objectives. She is a member of the Audit Committee and a member of the Mental Health Legislation Committee. She also actively carries out the role of Mental Health Act Manager.

By holding the executive directors to account Margaret is able to be assured that services are provided in the most effective and efficient way. As a member of the Audit Committee she can be assured that the Trust is well governed and that we have effective processes and procedures in place. As a member of the Mental Health Legislation Committee and a practising Mental Health Act Manager she can make sure that we correctly apply the mental health legislation and ensure that we correctly review the detention of service users who are either detained under the Mental Health Act or

who have been placed on Community Treatment Orders (CTO), and discharge those service users who no longer meet the criteria to be detained or are subject to a Community Treatment Order.

Margaret's background is in recruitment and selection in the private, public and the third sectors. More recently she has focused on helping organisations to embed diversity practices in the workplace by challenging unconscious bias in the areas of recruitment, retention and people development.

Her portfolio career also includes regulating solicitors who breach the code of conduct for the Solicitors Regulatory Authority; and accountants, who are members of the Chartered Institute of Public Finance and Accountancy (CIPFA) who breach the by-laws. She has recently stepped down from the Advisory Board of the Bradford School of Management. Margaret is a trustee and patron of a number of charities in the areas of health, education and poverty and is keen to strengthen partnerships between the mental health sector and the third sector and help fight stigma and discrimination.

As a non-executive director of Traidcraft she helps that Board to think strategically about how to combat poverty through fair trade practices.

**Julie Tankard, Non-executive Director (Chair of the Audit Committee) (Deputy Chair from 17 February 2017)**

Julie's role on the Board is to hold the Chief Executive and her executive team to account for the delivery of the organisation's strategic aims and objectives. She is a member of the Finance and Business Committee and the chair of Audit Committee.

By holding the executive directors to account she is able to be assured that services are provided in the most effective and efficient way. As an accountant part of her role is to be assured that the money we receive is spent in the best way it can be to benefit our service users and their carers and to be assured that the services we provide are of the highest quality. As chair of the Audit Committee her role is to assure the Board that the Trust is well governed and that we have effective processes and procedures in place.

Julie is a fellow of the Chartered Institute of Management Accountants and qualified as an accountant 20 years ago. She has experience in finance and commercial roles and is currently working as the Director, Group Contract Management for BT plc. She has managed a large global team and worked in an international environment for most of her career and she is used to working across different cultures and values diversity.

Julie is experienced in procurement processes and contract negotiations and her key skills lie in risk management, financial evaluation, investment appraisal and governance. She has a high degree of personal integrity and is able to bring commercial skills from a corporate environment to the Trust in order to help develop services for the benefit of service users.

**Sue White, Non-executive Director (Chair of the Mental Health Legislation Committee)**

Sue's role on the Board is to hold the Chief Executive and her executive team to account for the delivery of the organisation's strategic aims and objectives. She is also the Chair of the Mental Health Legislation Committee.

By holding the executive directors to account Sue is able to be assured that services are provided in the most effective and efficient way. As Chair of the Mental Health Legislation Committee she can be assured that we correctly apply the mental health legislation and correctly review the detention of service users who are either detained under the Mental Health Act or who have been placed on Community Treatment Orders (CTO), and that we discharge those service users who no longer meet the criteria to be detained or are subject to a Community Treatment Order. Sue has a passion for ensuring that the services our Trust provides are of a high quality and that service users are at the heart of everything we do.

Sue has recently retired as the Chief Executive and Company Secretary for Voluntary Action Sheffield (VAS) where she had responsibility for strategic and operational leadership and for the leadership and

representation of the voluntary and community sector in the city. Before to this she worked for Sheffield Teaching Hospitals NHS Trust as Business Development and External Affairs Director and also worked for the Department of Health as Head of Social Enterprise Unit. Sue brings to the Board experience of working in the complex environment of health and social care and in building partnerships at local, regional, national and international level.

### **Steven Wrigley-Howe, Non-executive Director (Senior Independent Director)**

Steven's role on the Board is to hold the Chief Executive and her executive team to account on the delivery of the organisation's strategic aims and objectives.

He is a member of the Quality Committee and the chair of Finance and Business Committee.

He has also been appointed by the Board as the Senior Independent Director. This role means that he is available to members of the Trust and to governors in instances where they have concerns which have been raised through the usual channels of Chair, Chief Executive, Chief Financial Officer or Trust Board Secretary and these have failed to resolve the issue. He is also available where it would be inappropriate to use such channels.

By holding the executive directors to account Steven is able to be assured that services are provided in the most effective and efficient way. As Chair of the Finance and Business Committee he is able to make sure that we are in a strong position to use the money that we receive in the best way we can to benefit our service users and their carers, and that we take opportunities to build a sustainable organisation able to continue to provide high quality services. Steven also has personal experience of using mental health services, and caring for those who have used both mental health and learning disability services, and this experience helps inform the work he does.

He is a Director of the Dublin-based charity The Rehab Group, which provides care, training and employment services to people with a wide range of disabilities. He was previously a Trustee of York Mind and worked with national Mind on a number of service user engagement projects.

He has 30 years' experience within healthcare in various management and executive roles, including ten years running a healthcare consultancy with both public sector and independent sector clients.

### **Dr Sara Munro, Chief Executive**

Dr Sara Munro leads the team of executive directors who along with the chair and the non-executive directors, make up our Board of Directors. The Board is responsible for setting the strategic direction for the organisation. Sara is also a senior leader within a wider group of chief executives and chief officers that come together to look at health and social care provision across Leeds and across West Yorkshire.

Sara contributes to improving the experience of service users and carers by ensuring we set the right objectives for our organisation which reflect the needs of our service users, carers and local communities. She will then make sure we provide the right support including resources for our staff to deliver the best possible mental health and learning disability services for the people we serve; that we monitor how well we are doing; and that we include service users, carers, communities and our staff in the decisions we make about our services.

Dr Munro was appointed to the post of CEO on 5 September 2016 and this is her first chief executive post. She started her career in the NHS as a student nurse and agency nursing assistant. She is a registered mental health nurse and her clinical work was spent in inpatient mental health settings and has worked across a range of NHS mental health providers in the North West of England.

Sara has completed a PhD looking at attitudes of acute mental health nurses and their impact on service users' experience of care. Prior to working at our Trust she was the Director of Quality and Nursing / Deputy CEO in Cumbria. Nationally, she is also a board member of the Positive Practice Collaborative and actively contributes to the Time to Change programme looking at attitudes of professionals towards mental health.

## **Anthony Deery, Director of Nursing, Professions and Quality**

Anthony leads a directorate which has professional leadership responsibility for nursing, allied health professionals, psychology and psychotherapy and quality within the organisation.

The quality of our professional workforce and the standard of care and treatment we provide are significant to ensuring the people who use our service have a positive experience and receive the best care and treatment. The professional leadership provided through Anthony's directorate ensures our staff are supported to deliver care that is safe, effective and to a high quality standard. This is done through:

- Strong professional leadership
- Applying the best available evidence in practice
- Meeting our regulatory requirements
- Listening to and learning from the experience of people who use our services
- Ensuring our policies and procedures support staff to practice safely and effectively
- Continuously striving to improve the quality of what we do
- Supporting our workforce through supervision and practice development.

Anthony started his career in the NHS in 1982 as a student nurse. During his career he has worked in both the UK and US healthcare systems and has experience of being a clinician, commissioner, regulator and senior manager at both local and national level.

On 1 April 2015 he was appointed as the Director for Nursing, Professions and Quality at the Trust having previously worked as a Group Nurse Director, Urgent Care, at Northumberland Tyne and Wear NHS Foundation Trust.

He is a Registered General Nurse and a Registered Mental Health Nurse. He is a member of the Nuffield Trust's Health Leaders' Panel, a Clinical Advisory Group member for national Relate and a Steering group member and treasurer for the National Mental Health Nurse Directors' Forum.

## **Dawn Hanwell, Chief Financial Officer and Deputy Chief Executive**

Dawn leads a number of departments which include finance and contracting, information management and technology (including Mhabitat), estates and facilities and procurement (including the North of England Collaborative Procurement Partnership).

The functions she oversees make a significant contribution to the work of our Trust's frontline staff, in order to support them to focus on working directly with service users and carers. These functions contribute by:

- Looking after the finances and advising on what we can spend our resources on, including how to buy goods and services within the limits which we are set
- Dealing with our commissioners to get the best possible income settlement to provide the services we deliver
- Maintaining the estate to the best possible standard for delivering safe care and providing a good environment for staff
- Maintaining and continuously improving the technology, tools and infrastructure which support our work on a daily basis.

Dawn was appointed to this post on 1 August 2012, having previously worked at our Trust as the Deputy Director of Finance between 2003 and 2007. Her last role was as Director of Finance and Information at Barnsley Hospital NHS Foundation Trust. She started her career in the NHS as a financial management trainee many years ago and has worked across a number of NHS organisations, mainly on the provider side but also briefly in commissioning and at the Department of Health. She has a wide range of experience mostly in finance but more recently managing estate and information.

Her first degree is in Theology and Religious Studies and she qualified as an accountant with the Chartered Institute of Public Finance Accountancy (CIPFA) in 1990.

### **Dr Claire Kenwood, Medical Director**

Dr Claire Kenwood is our Medical Director and is responsible for applying the best medical practice and the highest quality of care for our service users.

Claire studied medicine at Birmingham University and qualified in 1988. She began her career in mental health in 1989 and completed her training in a variety of placements and specialties in Birmingham and Southampton, becoming consultant in assertive outreach in 1999.

After a period of work in Trafford as a consultant in assertive outreach and rehabilitation she moved to Scotland and spent 10 years working in Livingston, initially as a consultant and then as Clinical Director. Here she developed an interest in clinical leadership, initially completing a post graduate certificate in front line leadership and management and becoming a member of the chartered institute of managers. After this she completed a masters in clinical leadership at Glasgow University and then a masters in advanced leadership practice with Edinburgh Napier and Harvard Executive Education. The focus of these studies was on clinical, quality and safety and in particular research interests in relationships and leadership required for good service user outcomes.

In 2014 Claire took up a post in Cumbria Partnership NHS Foundation Trust as Associate Medical Director for Quality, also clinically supporting and leading the development of a new inpatient rehabilitation service for men. During this time she was successful in becoming part of the first cohort of the Q initiative and also a non-executive director of the Quality Improvement Organisation AQuA.

On 1 March 2017 she joined the Trust as the Medical Director.

### **Lynn Parkinson, Interim Chief Operating Officer**

Lynn Parkinson is the Interim Chief Operating Officer and has responsibility for the way in which services are run on a day-to-day basis. She was appointed on 1 January 2016, having previously held the position of Deputy Chief Operating Officer.

She qualified as a nurse in 1989 and has spent all of her career working in mental health. Lynn has a wealth of experience of our Trust's services having been with our Trust since qualifying as a registered mental health nurse.

She has worked in a wide variety of clinical services including acute inpatients, community and for a number of years with the Eating Disorder Service, finally being appointed to the substantive position of Deputy Director of Care Services as the Trust in 2012.

### **Susan Tyler, Director of Workforce Development**

Susan leads a directorate which includes operational human resources, learning and organisational development, communications and staff engagement, diversity and inclusion and workforce systems, planning and information.

Our staff are our biggest asset and they have a huge impact on the care and experience people receive from us. Susan's directorate leads on the staff we employ, including:

- How we recruit them
- How we train and develop them
- How we ensure we are accessible and represent all our communities
- The values and behaviours we expect of staff
- How we communicate and engage with staff because engaged staff deliver better health care.

Susan was appointed to the post of Director of Workforce Development on 1 January 2012 and has previously worked for a number of trusts across West and South Yorkshire including as Deputy Director of HR at Mid Yorkshire Hospitals NHS Trust and HR Director at Barnsley NHS Foundation Trust.

During her career she has held a number of senior roles in training and organisational development. She has experience across all aspects of healthcare provision including acute, primary care and mental health and learning disabilities.

She has a master's degree in Human Resource Management and is a member of the Chartered Institute for Personnel Development (MCIPD). She holds the Institute of Leadership Management (ILM) level 5 in coaching and mentoring and is a trained health coach.

### 3.4 MEETINGS OF THE BOARD OF DIRECTORS

In 2016/17 the Board of Directors held its regular meetings on a six-weekly basis. With effect from 1 April 2017 our Board meetings have moved to being held monthly; however, the Chair of the Trust will call a meeting between these times to deal with any urgent business should the need arise. All meetings are held in public, although items which are of a confidential nature (as defined by pre-determined criteria and in accordance with the Constitution) will be taken in a private session.

In 2015/16 the Board of Directors met on 10 occasions. The table below shows directors' attendance at those meetings. Attendance at Board meetings is also reported to the Council of Governors at each of its meetings.

Table 3B – Attendance at Board of Directors' meetings during 2016/17

Name	Meetings eligible to attend	28 April 2016	23 May 2016 (Extra Ordinary)	23 June 2016	28 July 2016	15 September 2016	27 October 2016	17 November 2016 (Extra Ordinary)	8 December 2016 (Extra Ordinary)	26 January 2017	9 February 2017 (Extra Ordinary)	30 March 2017
<b>Non-executive directors</b>												
Frank Griffiths (Chair)	10	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Prof John Baker	6					-	-	✓	✓	✓	✓	✓
Jacki Simpson	1											-
Margaret Sentamu	10	✓	✓	✓	✓	✓	-	✓	✓	✓	✓	✓
Julie Tankard	10	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	-
Dr Gill Taylor	9	✓	✓	-	✓	✓	✓	✓	✓	✓		
Prof Carl Thompson	4	✓	-	-	✓							
Sue White	4							✓	✓	✓	✓	✓
Keith Woodhouse	6	✓	-	✓	✓	✓	✓					
Steven Wrigley-Howe	10	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Executive directors</b>												
Dr Sara Munro	6					✓	✓	✓	✓	✓	✓	✓
Jill Copeland	4	✓	✓	✓	✓	-						
Anthony Deery	10	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dawn Hanwell	10	✓	✓	-	✓	✓	✓	✓	✓	✓	✓	✓
Jim Isherwood	5	✓	-	✓	✓	✓						
Claire Kenwood	1										✓	✓
Wendy Neil	4						✓	✓	✓	-		
Lynn Parkinson	10	✓	✓	-	✓	✓	✓	✓	✓	✓	✓	✓
Susan Tyler	10	✓	✓	✓	✓	-	✓	✓	✓	✓	-	✓

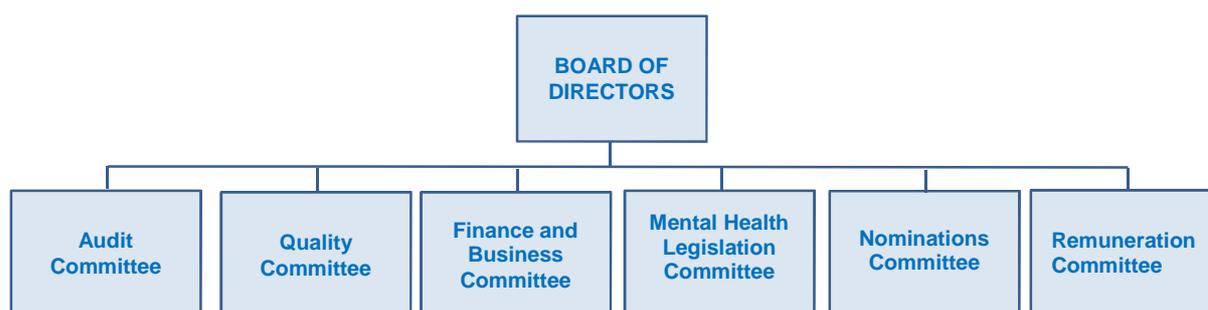
### 3.5 EVALUATION OF THE BOARD OF DIRECTORS

#### 3.5.1 The Board of Directors and members of the Board

Details relating to the evaluation of the members of the Board of Directors can be found in Part A section 2.4.3.2 of this Annual Report.

#### 3.5.2 Board sub-committees

The Board's sub-committee structure is made up of the: Audit Committee, Quality Committee, Finance and Business Committee, Mental Health Legislation Committee, Remuneration Committee, and Nominations Committee. Each of these committees receives secretariat support from the Corporate Governance Team.



Evaluation of the Board sub-committees is carried out annually using an internal evaluation questionnaire. The outcome is reviewed by the committee and a report on any proposed changes that may be required is made to the Board of Directors by the chair of the committee. If required the Terms of Reference would be changed and ratified by the Board.

#### 3.5.3 Well-led Review

In 2016/17 a Well-led Review was undertaken by Ernst and Young in accordance with Monitor's Well-led Framework. This resulted in a number of recommendations and related actions. The Board received feedback on the findings at a workshop in May 2016. The action plan was overseen by the Head of Corporate Governance and the CQC Fundamental Standards Group undertook to monitor progress with the completion of the actions. Ernst and Young have not carried out any other work for the Trust during 2016/17 and, therefore, maintained their independence in regard to this review.

#### 3.5.4 Review of the Trust's governance structures

In the latter part of 2016/17 Deloitte undertook a piece of work to review our governance, accountability and escalation arrangements across the organisation. This was commissioned based on feedback from our staff, senior leadership team and the issues raised in the CQC review. It was concluded that the arrangements in place were not sufficiently clear for all staff and there was a consensus that we need to change them to give a clearer line of site to the front line and greater focus on delivery and impact. The work will conclude and the outcomes be reviewed in early 2017/18. Actions will then be agreed and taken forward to strengthen our existing governance arrangements.

### 3.6 THE AUDIT COMMITTEE

The Audit Committee is the primary governance and assurance committee for the Trust. It is a formal sub-committee of the Board of Directors.

The Audit Committee seeks high-level assurance and provides an independent and objective review on the effectiveness of our governance (corporate and clinical) and risk management processes and assures the Board of Directors in respect of internal controls. It receives assurance from executive directors and other areas of the organisation through reports, both regular and bespoke. It validates the information it receives through the work of Internal Audit, External Audit, and Clinical Audit, again

through reports and attendance by key personnel at its meetings to present papers on specific matters. Assurance is also brought to the committee through the knowledge that non-executive directors gain from other areas of their work, not least their own specialist areas of expertise, visiting services, and talking to staff and governors.

The Audit Committee has responsibility for ensuring that, should our auditors (PricewaterhouseCoopers LLP) carry out any non-audit work, their independence is maintained. The committee will do this by reviewing and approving the scope of the work and the fees charged prior to the work being undertaken.

The substantive membership of the Audit Committee is made up at any one time of three non-executive directors. During 2016/17 the following members served on the committee as substantive members: Julie Tankard, who was the chair of the committee, Dr Gill Taylor, and Margaret Sentamu. The other non-executive directors are invited to attend on an ad-hoc basis as and when they feel it is appropriate, with the Chair of the Trust being invited to attend the Audit Committee on an annual basis.

In regular attendance at committee meetings are the Chief Executive, the Chief Financial Officer, and the Head of Corporate Governance. There is also representation from PricewaterhouseCoopers LLP, our external auditors, and Audit Yorkshire which provides our internal audit and counter-fraud services.

The table below shows the number of Audit Committee meetings in 2016/17 and attendance by each non-executive director member. It also shows where other non-executive directors have attended the committee on an ad-hoc basis.

**Table 3C – Attendance at Audit Committee meetings in 2016/17**

Name	21 April 2016	18 May 2016 (Extraordinary)	26 October 2016	12 January 2017
<b>Substantive non-executive director members</b>				
Julie Tankard (Chair of committee)	✓	✓	✓	✓
Dr Gill Taylor	✓	✓*	✓	✓*
Margaret Sentamu	-	✓	-	✓
<b>Other non-executive directors who attended meetings in 2016/17</b>				
Frank Griffiths (Chair of the Trust)			✓	

\* Attended part of the meeting by phone

During 2016/17 the Audit Committee fulfilled the role of the primary governance and assurance committee and carried out its role primarily through:

- The approval of the work plans (annual and strategic) for internal audit and counter fraud
- The approval of the work plan for the annual audit of the Annual Accounts, the Annual Report and the Quality Report
- Regular progress reports and annual reports from internal audit and counter fraud
- Regular updates from the external auditors on current sector developments and their audit findings
- ISA 260 report on the outcome of the annual audit of annual accounts

- Assessing the effectiveness of external and internal audit by reviewing periodic reports from the auditors and monitoring the pre-agreed key performance indicators.

In 2016/17 the committee reviewed the Annual Report, Annual Accounts, the Quality Report, the Annual Governance Statement and the Head of Internal Audit Statement for 2015/16. It was assured in relation to each of these documents and recommended to the Board that they should be adopted.

Also in 2016/17 the Audit Committee undertook to review each of the directorate risk registers (both corporate and care services registers). It did this over the course of its meetings during the year. This provided the committee with a valuable insight as to what was being managed at a directorate level. Overall the committee had been assured of the risks and that these were being managed adequately, but it did identify a risk in regard to staff vacancies which was subsequently added to the strategic risk register. Also through the year the committee has received assurance through the review of the Board Assurance Framework.

In January 2017 the committee reviewed the arrangements for the internal and external auditors noting that the contracts in place both had the option to be extended for a further period of up to two years. The committee considered both these and agreed to support the Chief Financial Officer in extending the NHS Audit Yorkshire (internal audit) contract for two years and also to recommend to the Council of Governors that they extend the contract for PricewaterhouseCoopers LLP for a further two years. This latter recommendation was made to the February Council of Governors and was accepted.

A separate annual report for the Audit Committee is produced and submitted to the Board of Directors for assurance and is also submitted to the Council of Governors for information. This can be found on our website at [www.leedsandyorkpft.nhs.uk](http://www.leedsandyorkpft.nhs.uk).

Further information about the sufficiency of our internal control processes can be found in the Annual Governance Statement in Part A section 2.9 of this Annual Report.



## SECTION 4 – THE COUNCIL OF GOVERNORS

### 4.1 COMPOSITION OF THE COUNCIL OF GOVERNORS

The Council of Governors is what gives the public a voice in helping to shape and influence the future of mental health and learning disability services provided by our Trust. It is made up of people who have been elected by our membership and who are representative of our constituencies. It also includes people appointed from a range of partner organisations. The Council of Governors is chaired by the Chair of the Trust, who ensures a link between the Council and the Board of Directors; the Deputy Chair of the Trust is also the Deputy Chair of the Council of Governors.

NHS Improvement requires each foundation trust to have a Lead Governor. Claire Woodham, who is an elected governor for the constituency of Leeds Service User was elected by the Council as Lead Governor with effect from 18 February 2016 for a period of one year. At the end of that period Claire decided not to stand again and on 14 February 2017 Steve Howarth, who is a Public governor for the Leeds constituency was elected by the Council as Lead Governor for a period of one year.

In June 2016 it was agreed by the Council of Governors and the Board of Directors to reduce the number of seats on the Council to better reflect the geographical areas in which the Trust provides services following the loss of the contract for mainstream mental health and learning disability services in York. The table below shows how our Council was made up before and after that change.

Table 4A – Composition of our Council of Governors

	Constituency name	Number of seats before June 2016	Number of seats after June 2016
<b>ELECTED</b>	Public: Leeds	6	6
	Public: York and North Yorkshire	3	1
	Public: Rest of England and Wales	1	1
	Service User: Leeds	4	4
	Service User: York and North Yorkshire	2	1
	Carer: Leeds	3	3
	Carer: York and North Yorkshire	1	1
	Service user and Carer: Rest of the UK	1	1
	Clinical Staff: Leeds and York & North Yorkshire	4	4
	Non-clinical Staff: Leeds and York & North Yorkshire	2	2
<b>APPOINTED</b>	Equitix Ltd	1	1
	Volition	1	1
	Tenfold	1	1
	York Council for Voluntary Services	1	1
	Leeds City Council	1	1
	City of York Council	1	1
	North Yorkshire County Council	1	0
	<b>TOTAL</b>	<b>34</b>	<b>30</b>

Governors are either elected or appointed to seats on the Council of Governors for a period of up to three years, with elections being carried out in accordance with the election rules in Annex 5 of our Constitution. Further details about the elections we have held during 2016/17 can be found below in section 4.2.1.

Tables 4B and 4C list those governors that have been members on the Council of Governors during 2016/17.

**Table 4B – Elected governors**

Name	Constituency	Maximum term of office elected for	Date appointed from	Date term of office ends / ended	Number of terms served
Andy Bottomley **	Carer: Leeds	3 years	16.04.14	15.04.17	3 <sup>rd</sup>
Andrew Bright	Carer: Leeds	3 years	22.08.16	21.08.19	1 <sup>st</sup>
Evrett Buckle	Public: Leeds	3 years	22.08.16	21.08.19	1 <sup>st</sup>
Brian Caldwell-White	Public: Leeds	3 years	22.08.16	21.08.19	1 <sup>st</sup>
Sarah Chilvers	Staff Non-clinical: Leeds and York & North Yorkshire	3 years	21.03.17	20.03.20	1 <sup>st</sup>
Les France	Public: Leeds	3 years	22.08.16	21.08.19	1 <sup>st</sup>
Anita Garvey	Public: Leeds	3 years	22.08.16	21.08.19	1 <sup>st</sup>
Joanne Goode	Staff Clinical: Leeds and York & North Yorkshire	3 years	21.03.17	20.03.20	1 <sup>st</sup>
Ruth Grant	Staff Non-clinical: Leeds and York & North Yorkshire	3 years	29.04.15	28.04.18	1 <sup>st</sup>
Steve Howarth	Public: Leeds Re-appointed	3 years	17.08.13	16.08.16	1 <sup>st</sup>
		3 years	22.08.16	21.08.19	2 <sup>nd</sup>
Andrew Johnson	Staff Clinical: Leeds and York & North Yorkshire Re-appointed	3 years	16.04.14	15.04.17	1 <sup>st</sup>
		3 years	16.04.17	15.04.20	2 <sup>nd</sup>
Philip Jones **	Public: Leeds	3 years	17.08.13	16.08.16	1 <sup>st</sup>
Dominik Klinikowski *	Staff Non-clinical: Leeds and York & North Yorkshire	3 years	29.04.15	17.01.17	1 <sup>st</sup>
Cynthia Lipman *	Service User: Leeds	3 years	22.08.16	27.10.16	1 <sup>st</sup>
Ellie Palmer	Service User / Carer: Rest of UK	3 years	21.03.17	20.03.20	1 <sup>st</sup>
Alan Procter	Carer: Leeds Re-appointed	3 years	17.08.13	16.08.16	1 <sup>st</sup>
		3 years	22.08.16	21.08.19	2 <sup>nd</sup>
Julia Raven	Carer: York and North Yorkshire	3 years	29.04.15	28.04.18	2 <sup>nd</sup>
Libby Rowlands *	Service User: York and North Yorkshire	3 years	27.11.14	15.06.16	1 <sup>st</sup>
Jo Sharpe	Public: York and North Yorkshire	3 years	29.04.15	28.04.18	1 <sup>st</sup>
Ann Shuter	Service User: Leeds	3 years	29.04.15	28.04.18	2 <sup>nd</sup>
Niccola Swan	Public: Rest of England and Wales Re-appointed	3 years	17.08.13	16.08.16	1 <sup>st</sup>
		3 years	22.08.16	21.08.19	2 <sup>nd</sup>
Maria Trainer **	Service User: Leeds	3 years	17.08.13	16.08.16	3 <sup>rd</sup>
Peter Webster	Public: Leeds	3 years	22.08.16	21.08.19	1 <sup>st</sup>
Claire Woodham	Service User: Leeds Re-appointed	3 years	17.08.13	16.08.16	1 <sup>st</sup>
		3 years	22.08.16	21.08.19	2 <sup>nd</sup>

\* Indicates those governors who stepped down early during 2016/17, before the end of their term of office

\*\* Indicates those governors who came to the end of their term of office during 2016/17 and either did not stand or were not eligible to stand for re-election or were not re-elected

\*\*\* Indicates those governors who were newly elected or re-elected part-way through 2016/17

**Table 4C – Appointed governors**

Name	Constituency	Maximum term of office elected for	Date appointed from	Date term of office ends / ended	Number of Terms served
Cllr Jenny Brooks ***	City of York Council	3 years	20.09.16	19.09.19	1 <sup>st</sup>
Cllr Rebecca Charlwood *** *	Leeds City Council	3 years	17.09.17	13.02.16	1 <sup>st</sup>
Colin Clark **	Equitix Ltd	3 years	14.02.14	13.02.17	3 <sup>rd</sup>
Councillor Neil Dawson ***	Leeds City Council	3 years	14.02.17	14.02.20	1 <sup>st</sup>
Councillor Helen Douglas *	City of York Council	2 years 7 months	29.10.12	02.09.16	1 <sup>st</sup>
Ant Hanlon *	Volition	3 years	27.02.14	18.05.16	1 <sup>st</sup>
Councillor Josie Jarosz *	Leeds City Council	1 year	06.08.15	16.09.16	1 <sup>st</sup>
Carol-Ann Reed	Tenfold	3 years	01.04.15	31.03.18	1 <sup>st</sup>

\* Indicates those governors who stepped down early during 2016/17, before the end of their term of office

\*\* Indicates those governors who came to the end of their term of office during 2016/17 and either were not re-appointed or were not eligible to be re-appointed

\*\*\* Indicates those governors who were newly appointed or re-appointed during 2016/17

## 4.2 CHANGES TO THE COUNCIL OF GOVERNORS

During 2016/17 there were a number of changes to the individuals holding the position of governor on our Council of Governors. The Board of Directors would like to thank all those who either stepped down early from office or came to the end of the term of office and note the tremendous contribution they made to the work of the Council. These are: Andy Bottomley, Cllr Rebecca Charlwood, Colin Clark, Cllr Helen Douglas, Ant Hanlon, Cllr Josie Jarosz, Philip Jones, Dominik Klinikowski, Cynthia Lipman, Libby Rowlands and Maria Trainer.

### 4.2.1 Elected governors

Elections are carried out in accordance with the election rules as set out in Annex 5 of the Trust's Constitution (elected governors are in the constituencies set out in Table 4A). To be eligible to stand for election you must be a member of our Trust. Where a vacancy then occurs in a constituency and the Trust agrees to hold an election, members in that constituency are invited to nominate themselves, and where there are more people standing for election than there are seats available it will be necessary to hold a ballot which is held on a first-past-the-post system of voting. In 2016/17 we had two rounds of elections one in summer 2016 and the second in spring 2017.

#### 4.2.1.1 Elections held in summer 2016 (concluding on 22 August 2016)

During summer 2016 a number of our governors came to the end of their term of office, this linked with a number of vacant seats already on the Council, caused either by governors stepping down early or because the seats had been vacant for some time, meant it was necessary to hold an election to fill the following seats:

**Table 4D – Seats included in the summer 2016 election**

Constituency	Name of constituency	Number of seats included in the election
Public	Leeds	6
	Rest of England and Wales	1
Carer	Leeds	2
Service User	Leeds	3
	York and North Yorkshire	1
Service User / Carer	Rest of UK	1
Staff Clinical	Leeds and York and North Yorkshire	3

This round of elections commenced on 28 June and concluded on 22 August 2016. We were successful in filling seats as follows:

**Table 4E – Elected unopposed**

Name	Constituency elected to:
Cynthia Lipman	Service User: Leeds
Claire Woodham	Service User: Leeds

**Table 4F – Elected by ballot**

Name	Constituency elected to:
Nicola Swan	Public: Rest of England and Wales
Everett Buckle	Public: Leeds
Steve Howarth	Public: Leeds
Peter Webster	Public: Leeds
Brian Caldwell-White	Public: Leeds
Les France	Public: Leeds
Anita Garvey	Public: Leeds
Alan Bright	Carer: Leeds
Alan Procter	Carer: Leeds

At the end of the election we still had vacancies in the Service User Leeds constituency (1 seat), Service User York and North Yorkshire constituency (1 seat), Service User / Carer Rest of UK constituency (1 seat), and Staff Clinical constituency (3 seats). For those seats in which a ballot was held the percentage turnout figures were: Public Rest of England and Wales (2.8%); Public Leeds (4.7%) and Carer Leeds (13.2%).

#### 4.2.1.1 Elections held in spring 2017 (concluded on 21 March 2017)

During spring 2017 a number of our governors came to the end of their term of office, this linked with a number of vacant seats already on the Council, caused either by governors stepping down early or because the seats had been vacant for some time meant it was necessary to hold a further election to fill the following seats:

**Table 4G – Seats included in the spring 2017 election**

Constituency	Name of constituency	Number of seats included in the election
Carer	Leeds	1
Service User	Leeds	1
	York and North Yorkshire	1
Service User / Carer	Rest of UK	1
Staff Clinical	Leeds and York & North Yorkshire	4
Staff Non-clinical	Leeds and York & North Yorkshire	1

This round of elections commenced on 1 March and concluded on 21 March 2017. We were successful in filling seats as follows:

Table 4H – Elected unopposed

Name	Constituency elected to:
Ellie Palmer	Service User / Carer Rest of UK
Joanne Goode	Staff Clinical
Andrew Johnson	Staff Clinical
Sarah Chilvers	Staff Non-clinical

It was not necessary on this occasion to hold a ballot as there were no contested seats, therefore the elections concluded on the 21 March 2017. However, at the end of the election period there were still some vacant seats in the Staff: Clinical constituency (2 seats); Carer: Leeds constituency (1 seat); Service User: Leeds constituency (1 seat); and Service User: York and North Yorkshire constituency (1 seat).

#### 4.2.2 Appointed governors

Appointed governors are nominated by those organisations we have identified as our partner organisations. Our partner organisations are set out in table 4A.

During 2016/17 there were seven changes to our appointed governors. Four appointed governor stepped down before the end of their term of office; Ant Hanlon stepped down on 18 May 2016; Cllr Josie Jarosz stepped down on 16 September 2016 (Cllr Rebecca Charlwood was appointed in her place with effect from 17 September 2016); Cllr Helen Douglas stepped down 2 September 2016 (Cllr Jenny Brooks was appointed in her place with effect from 20 September 2016); Cllr Rebecca Charlwood stepped down on 13 February 2017 (Cllr Neil Dawson was appointed in her place with effect from 14 February 2017). Colin Clark came to the end of his third term of office on 13 February 2017 after nine years on the Council and was not eligible to stand for re-appointment.

The Board of Directors would like to thank all the appointed governors it has worked with through the year for all their hard work, supporting the development of the services we provide, and we would like to welcome those newly appointed to our Council.

### 4.3 MEETINGS OF THE COUNCIL OF GOVERNORS

During 2016/17 the Council of Governors met formally five times. All general Council meetings are held in public, although items which are of a confidential nature (as defined by pre-determined criteria and in accordance with the Constitution) will be taken in a private session. The table below shows attendance at those meetings.

Notice of public Council of Governors' meetings along with the agenda and papers are published on our website [www.leedsandyorkpft.nhs.uk](http://www.leedsandyorkpft.nhs.uk).

The governors also hold an Annual Members' Meeting. This was held in September 2016. This is a public meeting and members are encouraged to attend to hear more about the work of the Trust and the Council of Governors.

The table below details the number of meetings attended by each governor during 2016/17. This is shown out of a maximum of five meetings. If a governor has either resigned from, or joined the Council of Governors part-way through the financial year, the number of meetings they were eligible to attend has been amended to reflect this (those meeting dates which have been blanked out in the table indicate that a governor was not eligible to attend to the meeting).

Table 41 – Number of meetings attended by each governor

Name	Appointed (A) or elected (E)	Number of formal meetings eligible to attend	FORMAL COUNCIL MEETINGS ATTENDED				
			12 May 2016	26 July 2016	6 September 2016	16 November 2016	14 February 2017
Andy Bottomley **	E	5	✓	✓	-	✓	✓
Andrew Bright	E	3			✓	✓	-
Cllr Jenny Brooks ***	A	2				-	-
Evrett Buckle	E	3			-	-	-
Brian Caldwell-White	E	3			✓	✓	-
Cllr Rebecca Charlwood *** *	A	1				-	
Sarah Chilvers ****	E	0					
Colin Clark **	A	5	✓	✓	✓	✓	✓
Councillor Neil Dawson ***	A	1					✓
Councillor Helen Douglas *	A	2	✓	-			
Les France	E	3			✓	✓	-
Anita Garvey	E	3			✓	✓	✓
Joanne Goode ****	E	0					
Ruth Grant	E	5	✓	✓	✓	-	✓
Ant Hanlon *	A	1	-				
Steve Howarth	E	5	✓	✓	-	✓	✓
Councillor Josie Jarosz *	A	3	✓	-	-		
Andrew Johnson	E	5	-	✓	✓	✓	✓
Philip Jones **	E	2	✓	✓			
Dominik Klinikowski *	E	4	✓	✓	✓	✓	
Cynthia Lipman *	E	1			✓		
Ellie Palmer ****	E	0					
Alan Procter	E	5	✓	-	-	-	-
Julia Raven	E	5	✓	✓	✓	✓	✓

Name	Appointed (A) or elected (E)	Number of formal meetings eligible to attend	FORMAL COUNCIL MEETINGS ATTENDED				
			12 May 2016	26 July 2016	6 September 2016	16 November 2016	14 February 2017
Carol-Ann Reed	A	5	-	-	✓	✓	-
Libby Rowlands *	E	1	-				
Jo Sharpe	E	5	-	✓	✓	✓	✓
Ann Shuter	E	5	-	✓	✓	✓	✓
Nicola Swan	E	5	✓	✓	✓	✓	✓
Maria Trainer **	E	2	-	-			
Peter Webster	E	3			✓	✓	-
Claire Woodham	E	5	✓	-	-	✓	✓

- \* Indicates those governors who stepped down during 2016/17, before the end of their term of office and as such may not have been eligible to attend all meetings (any meetings not eligible to attend are shaded out)
- \*\* Indicates those governors who came to the end of their term of office during 2016/17 and were not re-elected or did not stand for re-election or were not re-appointed and as such may not have been eligible to attend all meetings (any meeting not eligible to attend are shaded out)
- \*\*\* Indicates those governors who were newly elected or appointed during 2016/17 and as such may not have been eligible to attend all meetings (any meetings not eligible to attend are shaded out)
- \*\*\*\* Indicates those governors who were newly elected or appointed during 2016/17 but after the final meeting of the year

#### 4.4 DUTIES OF THE COUNCIL OF GOVERNORS

The overarching role of the Council of Governors is to make our Trust publically accountable for the services it provides. It does this by representing the interests of members as a whole and those of the public. It informs our forward plans, and holds the non-executive directors (NEDs) to account, individually and collectively, for the performance of the Board. Governors are not directors and the duty of holding the NEDs to account does not mean governors are responsible for the decisions taken by the Board of Directors (members of the Board of Directors (both executive and non-executive directors collectively) share corporate responsibility and liability for those decisions).

Further information about the work of the Board of Directors can be found in Part A section 3 of this Annual Report.

In addition there are a number of other key statutory tasks the Council of Governors must also carry out. These include:

- Appointing (and removing) the Chair of the Trust and non-executive directors
- Approving the appointment of the Chief Executive
- Appointing (and removing) the external auditor
- Receiving the Annual Report and Accounts, and the auditor's report on these
- Approving amendments to the constitution
- Taking decisions on significant transactions and also on any changes to non-NHS income.

If during the course of the Board of Directors and the Council of Governors carrying out their respective duties it becomes apparent that there is a dispute between the Council and the Board there is a formal dispute resolution process which is set out in the constitution at Annex 7 paragraph 10.

To help governors carry out their role, the Board of Directors also has a number of statutory duties placed on it including: sending a copy of the agenda to governors before each meeting and copies of minutes of meetings as soon as practicable after the meeting; and ensuring that governors have the skills and knowledge they require to undertake their role.

#### 4.5 WORKING TOGETHER

The work of the Board of Directors and of the Council of Governors is closely aligned, with minutes of the meetings of each being presented to the other. The Chair of the Trust, supported by the Head of Corporate Governance, provides a formal link between the two bodies and it is the Chair's responsibility to ensure an appropriate flow of information.

The non-executive and executive directors are invited by the Council to attend meetings, which they do on a regular basis. One other way in which the Board of Directors and the Council of Governors work closely together is by means of the Strategy Committee (a formal sub-committee of the Council of Governors). The Chair of the Strategy Committee is the Chair of the Trust with the Chief Executive and the Chief Operating Officer in attendance. The committee meets in accordance with the Trust's strategic and operational plan planning cycles. This committee allows governors the opportunity to represent their constituency in the process to refresh the Trust strategy and Operational Plan and contribute to the development of forward plans of the Trust

The Council of Governors has a primary relationship with the non-executive directors (NEDs) who are encouraged wherever possible to attend Council meetings to get to know the governors better and to hear first-hand their views and those of members. To help to develop the relationship between the governors and the NEDs two main mechanisms have been developed. Firstly, there are informal sessions before Council meetings where governors meet in small groups with NEDs to allow them the opportunity to talk about any issues they or members have. Secondly, one NED will present a report to the Council on how they, individually and collectively, have held the executive directors to account for the performance of the Board.

The following table shows those Council meetings that were attended by non-executive directors.

Table 4J – Attendance by non-executive directors at Council of Governors' meetings

Name	12 May 2016	26 July 2016	6 September 2016	16 November 2016	14 February 2017
<b>Non-executive directors</b>					
Frank Griffiths	✓	✓	✓	✓	✓
Prof John Baker			✓	-	✓*
Jacki Simpson					-
Margaret Sentamu	✓	✓	-	✓*	✓
Julie Tankard	-	-	✓*	-	-
Dr Gill Taylor	-	✓*	-	-	
Prof Carl Thompson	✓*	-			
Sue White				✓	✓
Keith Woodhouse	-	✓	-		
Steven Wrigley-Howe	-	✓	✓	-	-

\* Indicates the NED who gave the presentation on the Board's performance

To allow governors to better understand the work of our Trust and to allow a further opportunity to observe NEDs holding the executive directors to account for performance, governors are invited to observe at the Quality Committee; and the Mental Health Legislation Committee. Whilst governors do not have the right of membership at these committees the Chair of the committee may invite observations from governors if and when appropriate.

#### 4.6 SUB-COMMITTEES OF THE COUNCIL OF GOVERNORS

The Council of Governors may not delegate any of its responsibilities; however, it can choose to carry out its duties either through individual governors or through groups and committees. In the light of this the Council of Governors has formed two formal sub-committees to focus on specific areas of work. These committees are the Appointments and Remuneration Committee (a committee required in statute) and the Strategy Committee. Both of these committees report formally to the Council of Governors.

- **The Appointments and Remuneration Committee** – this committee reviews and makes recommendations to the Council of Governors regarding the appointments process for vacant posts within the non-executive director team, and also sets the level of remuneration for NEDs. Further information about the work of this committee in 2016/17 can be found in the Remuneration Report in Part A section 2.4 of this Annual Report.
- **The Strategy Committee** – this committee oversees the development of the business priorities; supports and oversees the delivery of the strategy and Operational Plan; and supports the process to refresh our strategy.

#### **4.7 THE REGISTER OF GOVERNORS' INTERESTS**

Under the provisions of the Constitution and as described in the provider license, we are required to have a register of interests to formally record declarations of interests and a 'fit and proper' persons test of members of the Council of Governors. In particular, the register will include details of all directorships and other relevant material interests which have been declared. It also asks governors to declare that they are of sound character and background to hold a position in public office.

On appointment, members of the Council of Governors must declare any interests, which might place, or be seen to place them in a potential conflict of interest between their personal or private interest and those arising from their membership of the Council of Governors. Members of the Council of Governors are also required to declare any conflict of interest that arises in the course of conducting business at each meeting. Each year governors will complete a new declaration of interest form to ensure the most up-to-date position is declared. These annual declarations are also reported to the Council of Governors.

The Register of Interests is maintained by the Head of Corporate Governance and is available for inspection by members of the public on request. The Head of Corporate Governance can be contacted by telephone on 0113 8555930 or by email at [chill29@nhs.net](mailto:chill29@nhs.net).

## SECTION 5 – MEMBERSHIP

### 5.1 OUR CONSTITUENCIES AND ELIGIBILITY TO JOIN

The current membership figure of 17,649 as at 31 March 2017 has been steadily maintained throughout the year. These tables illustrate the breakdown, by constituency, of the total number of members.

We have three membership constituencies: public; service user and carer; and staff. A breakdown of these is shown at table 5A.

Firstly, there are three public constituencies: Leeds; York and North Yorkshire and Rest of England and Wales. Each of these constituencies are made up of a number of local government electoral areas which is in accordance with the NHS Act 2006. If a person wants to join a public constituency the relevant one will be determined by the address at which they live.

The Service User and Carer Constituency is divided into five constituencies for the geographical areas of: Leeds; York and North Yorkshire and the rest of England and Wales. Again these constituencies follow the local government electoral boundaries. Anyone who has used our services in the last 10 years or cares for someone who has used our services can join the Service User and Carer Constituency. An individual's home address will determine which constituency they join.

The Staff Constituency is divided into two categories: Staff: Clinical and Staff: Non-clinical. Any individual who is employed by the Trust under a contract of employment will automatically become a member unless they opt out. In addition to those individuals directly employed by the Trust, people who exercise a function for the Trust may also choose to be a member of the Staff Constituency. Whether a person joins the clinical or the non-clinical class will be determined by national occupation codes.

Table 5A – Membership constituencies

Public constituency	Service User and Carer constituency	Staff constituency
Public: Leeds Public: York and North Yorkshire Public: Rest of England and Wales	Service User: Leeds Service User: York and North Yorkshire Carer: Leeds Carer: York and North Yorkshire Service User and Carer: Rest of UK	Clinical Staff: Leeds and York & North Yorkshire Non-clinical Staff: Leeds and York & North Yorkshire

### 5.2 NUMBER OF MEMBERS

Table 5B – Total membership by constituency as at 31 March 2017

Public constituency	Number of members
Public: Leeds	9207
Public: York and North Yorkshire	1736
Public: Rest of England and Wales	2022
<b>Total public members</b> (including 88 members outside England and Wales)	<b>13053</b>

Staff constituency	Number of members
Clinical staff: Leeds and York & North Yorkshire	2688
Non-clinical staff: Leeds and York & North Yorkshire	689
<b>Total staff members</b>	<b>3377</b>

Service User and Carer constituency	Number of members
Service user: Leeds	603
Service user: York and North Yorkshire	101
Carer: Leeds	354
Carer: York and North Yorkshire	49
Service User and Carer: Rest of UK	112
<b>Total service user and carer members</b>	<b>1219</b>

Membership has maintained steady at 17,649 as at 31 March 2017. These tables illustrate the breakdown, by constituency, of the total number of members.

### 5.3 DEVELOPING A REPRESENTATIVE MEMBERSHIP

The profile of the current membership in terms of ethnicity, gender and age continues to be broadly in line with that of the respective constituencies, with no significant deficits. During the past 12 months, we have undertaken activities with gender, ethnicity and age-specific groups to ensure that the membership continues to be representative. We have continued to collect demographic information around disability and sexual orientation to inform specific work. We have found the organisation is well represented within these two communities, as a result of collecting the data. We have also continued to target a number of student events this year to increase our younger membership.

The Involvement, Engagement and Membership Team is keen to encourage the involvement of the Council of Governors in the recruitment and engagement of members in line with NHS Improvement's latest good practice guide. We have built on our positive programme of involving and engaging our members and offering individual support and a comprehensive training package for our governors. We believe that this will help strengthen our recruitment of governors and also support our current governors in their role in line with the Health and Social Care Act 2012, NHS Improvement's Govern Well guidance, and the NHS Constitution. We believe that this helps us to support our governors, who in turn promote membership and involvement to the general public, service users, carers, staff and stakeholders.

Our annual membership campaign as usual plays a dual role of showcasing good practice across the organisation and helping to combat the stigma experienced by people with learning disabilities and mental health problems. Our aim is to constantly attract a committed and involved membership who will act as ambassadors for our Trust.

### 5.4 MEMBERSHIP RECRUITMENT AND ENGAGEMENT

We continue to recruit members through our well-established channels; however, there are a number of new strands of work that we need to develop, particularly to increase our membership amongst groups who are traditionally harder to engage with. These are:

- The circulation of membership forms to partner organisations, linked to the *This is Me* membership campaign, targeting more difficult to reach community groups
- Work with third sector organisations to promote anti-stigma and positive identity work
- The continued development of a Love Arts programme encouraging present members to share the membership magazine *Imagine* with their families and friends and thereby introduce new members
- The showcasing of our specialists services as part of the "I am Me!" campaign to promote wider understanding.

### 5.5 THE MEMBERSHIP OFFICE

The Membership Office is the initial point of contact for members to speak to someone within our Trust or with our governors. The office can be contacted by telephone on (0113) 8555900 or by email at [ftmembership.lypft@nhs.net](mailto:ftmembership.lypft@nhs.net).

## SECTION 6 – OUR AUDITORS

### 6.1 EXTERNAL AUDIT SERVICES

PricewaterhouseCoopers LLP (PwC) provide our external audit service. All members of the PwC audit team are independent of the Board of Directors and of staff members. Each year the Audit Team provides a statement in support of the requirements for their objectivity and independence to the Audit Committee. The auditors provide audit services in accordance with the Code of Audit Practice. This covers the opinion on the annual accounts, financial aspects of corporate governance, the use of resources, the Annual Report and the Quality Report. The cost of independent audits during 2016/17 is detailed in the table below:

Table 6A – Cost of statutory audits

The Annual Accounts	£49,756
The Quality Report	£8,980

### 6.2 INTERNAL AUDIT SERVICES

Our internal audit services are provided by Audit Yorkshire. This is a specialist provider of internal audit services to the NHS. Audit Yorkshire was formed on 1 July 2016 from a merger of West Yorkshire Audit Consortium (WYAC) and North Yorkshire Audit Services (NYAS). WYAC and NYAS previously worked in partnership to provide our internal audit service and had signed a Memorandum of Understanding to support this.

The Internal Audit Team is led by Helen Kemp-Taylor who is the Managing Director and Head of Internal Audit. She is supported by Sharron Blackburn (CPFA) as Client Manager. Sharron is the Deputy Head of Internal Audit. The remaining team of auditors and specialists is drawn from across Audit Yorkshire.

The scope of the work of internal audit is to review and evaluate the risk management, control and governance arrangements that we have in place, focusing in particular on how these arrangements help it to achieve our objectives. The audit opinion may be used by the Accounting Officer to support the Annual Governance Statement. This is achieved through a risk-based plan of work, agreed with management and approved by the Audit Committee. Internal Audit is only one source of assurance and it works closely with other assurance providers, such as external audit and Local Counter-fraud Services, to ensure that duplication is minimised and a suitable breadth of assurance obtained.

### 6.3 REAPPOINTMENT OF THE INTERNAL AND EXTERNAL AUDITORS

In January 2017 the Audit Committee reviewed the arrangements for the internal and external auditors noting that the contracts in place both had the option to be extended for a further period of up to two years. The committee considered both these and agreed to support the Chief Financial Officer in extending the NHS Audit Yorkshire (internal audit) contract for two years and also to recommend to the Council of Governors that they extend the contract for PricewaterhouseCoopers LLP for a further two years. This latter recommendation was made to the February 2017 Council of Governors and was accepted.



**PART B**  
**THE QUALITY REPORT**  
**2016/17**



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## SECTION 1 – STATEMENT ON QUALITY FROM THE CHIEF EXECUTIVE

Leeds and York Partnership NHS Foundation Trust provides specialist mental health and learning disabilities services to people in Leeds. We also provide an inpatient child and adolescent mental health service and a low secure forensic service in York, which serve the regional population, with our specialist services accepting referrals from across the UK.

Service users are at the heart of everything we do. We constantly strive to offer them the best possible support and provide effective, accessible and modern healthcare.

We work with our partners to tackle the stigma and discrimination often faced by people with mental ill health and learning disabilities. We are incredibly proud of the partnerships we have with our service users, carers and their families as well as third sector providers, commissioners, other NHS organisations, primary care, the local authority and the police.

In 2016 we decided to re-imagine our Trust strategy. We asked the people who use our services, their carers, our staff and our partners to help us co-create our goals and strategic objectives and develop a list of priorities for action.

Our new Trust strategy describes what we want to achieve over the next five years and how we plan to get there. It focuses on three key elements - improved outcomes and wellbeing for our service users, a compassionate, highly skilled workforce, and effective and innovative partnerships.

As part of this work, we developed a new set of organisational values:

- **We have integrity**  
We treat everyone with respect and dignity, honour our commitments and do our best for our service users and colleagues.
- **We keep it simple**  
We make it easy for the communities we serve and the people who work here to achieve their goals.
- **We are caring**  
We always show empathy and support those in need.

Our new direction of travel, priorities and values has been endorsed by our Board, and we will start work to embed them across our organisation in the coming year.

In this report, we describe the quality improvements we have made over the last year and how these have contributed towards the achievement of safe, effective care and a positive experience for service users and their carers. These achievements include the introduction of Gender Identity Community Support Workers, who are offering one-to-one or group support for people who are questioning their gender or who are waiting to access our service. We opened a dedicated 'place of safety' for children who need urgent mental health care, and have taken a big step to protect our service users, visitors and staff by becoming a totally smoke-free organisation. We have also explored the impact of labels and identity on mental health and wellbeing, through our membership and anti-stigma campaign, 'This Is Me...'.

We are proud that our work has been recognised with a host of awards and nominations over the last 12 months. These accolades include a HSJ Award nomination for our Memory Support Worker Team for their role in offering timely advice and support to people living with dementia and their families and providing a vital link between primary and secondary care services. Three of our Community Learning Disabilities Nurses were also shortlisted for a Nursing Times Award for their work in helping people with a learning disability access annual health checks.

Two of our services have also been nationally showcased as examples of how to provide high quality care for people with medically unexplained symptoms (MUS). The Leeds Liaison Psychiatry Service and

the Yorkshire Centre for Psychological Medicine are now featured as case studies in national guidance for commissioners that examine what good services look like. The guidance has been issued by the Joint Commissioning Panel for Mental Health which is co-chaired by the Royal College of General Practitioners and the Royal College of Psychiatrists.

We have been honest about our successes but also about where our performance has fallen short of expectations. Having a culture that is open and transparent, which seeks and encourages feedback, and that focuses on what we can learn to continually improve the quality of care we provide to our service users and their families is incredibly important to us. That is why this Quality Report also sets out our ambitions for 2017/18.

I am happy to state that, to the best of my knowledge, the information included in our Quality Report is accurate.

A handwritten signature in black ink, appearing to read 'Sara', followed by a stylized flourish.

Dr Sara Munro  
**Chief Executive**  
**25 May 2017**

## SECTION 2 – PRIORITIES FOR IMPROVEMENT AND STATEMENTS OF ASSURANCE FROM THE BOARD

### 2.1 PRIORITIES FOR IMPROVEMENT

Our Trust strategy for 2013 to 2018 identifies our overarching priorities as:

<b>Priority 1 (clinical effectiveness)</b>	People achieve their agreed goals for improving health and improving lives
<b>Priority 2 (patient safety)</b>	People experience safe care
<b>Priority 3 (patient experience)</b>	People have a positive experience of their care and support

The Trust's strategic and operational plans detail the full set of priorities for the Trust. The Quality Report highlights some examples of the progress achieved and the future initiatives.

Our strategic aims are set out in our Trust strategy (2013 to 2018), five-year strategic plan (2014 to 2019) and two-year operational plan (2014 to 2016). These are all fully aligned with national policy at the time of writing.

We provide two areas of care:

- For the people of Leeds: local mental health and learning disability inpatient and community services, liaison psychiatry services and addictions services
- For people across the region and nationally: specialist services including National DEAF Child and Adolescent Mental Health Services (CAMHS), Tier 4 CAMHS inpatient service, eating disorders, perinatal and gender identity.

Our main centres are in Leeds and York, with smaller ones in Manchester and Newcastle.

We remain fully committed to maintaining and developing services at both these levels.

Our strategic aims have taken account of recent national developments, for example:

- The Five Year Forward View
- Sustainability and Transformation Partnership (STP)
- Transforming care for people with a learning disability.

In January 2016 we launched a redesign of our Trust strategy which helped us to develop our two-year operational plan. We are working to ensure that we try to address the following challenges:

- Extra pressures on our clinical teams as more people need to use our services
- How we discharge people safely and effectively
- Reduced discharge options to primary and social care
- To be more robust in ensuring that patient experiences are similar across care pathways
- To be more flexible in how we are providing excellent care
- Working more closely with our partners
- Ensuring effective outcomes for service users, meaning they are getting better.

The Trust is in a good financial position. However, the current financial situation in the system is challenging. The Leeds Health and Social Care system has a projected financial shortfall of £700m by 2020/21. This means that the City of Leeds needs to rethink how we all work together and to that end

the Trust is continuing to build on its close working relationship with partners to ensure that the mental health and learning disability needs of the people of Leeds are met.

NHS planning guidance promotes the importance of 'parity of esteem'. This places a duty on statutory organisations to ensure a person's physical, mental and learning disability needs receive equal attention, which is something the Trust wholly supports. We have included steps to achieve these requirements within our operational plan and our future strategy. These are also in line with the local Sustainability and Transformation Partnership (STP).

In January 2016 the Board reviewed the priorities for 2016/17. They identified the need to continuously improve the outcomes of the care we provide to service users as a top priority. To achieve this they agreed the need for a refreshed strategic approach. The Trust asked for feedback from service users, carers, staff and stakeholders as to their thoughts on what the Trust should be doing. This feedback helped to mould the content of the strategy as well as the operational plan. We also had to include the requirements from the Five Year Forward View as well as the Mental Health Taskforce's Five Year Forward View for Mental Health.

Our priorities are focused on three key areas which the Board agreed for 2016/17. These are:

## **1. Support and engage staff to improve people's health and lives**

Our Trust provides treatment, care and support to people and helps them to improve their health and lives. All our staff are committed to improving the quality of care we provide, and to improve the outcomes we deliver for service users. To do this well, our clinical and professional staff need time to develop trusting relationships with service users and carers. This requires the recruitment of more staff, particularly registered nurses, to fill vacancies. This will:

- Help all our staff to do their jobs more efficiently and effectively
- Make sure the Trust is a good place to work with opportunities for career progression.

We have listened to staff and will be improving our clinical information system and will be implementing time-saving technological solutions. We know that providing staff with good quality information and sufficient time will help to improve outcomes for service users and carers.

It is really important that we communicate with our staff and get their views on the Trust's future. The Executive Team agreed plans to improve how we engage with staff, including:

- Listening events with the Chief Executive and executive directors
- Crowdsourcing technology to involve people in shaping our priorities and strategy
- Regular blogs written by the Chief Executive
- Monthly Trust Brief sent to teams with a 'feedback loop' to encourage two way communications throughout the organisation.

## **2. Meet CQC fundamental standards and improve quality through learning**

Our second priority for 2016/17 was to meet Care Quality Commission (CQC) fundamental standards and improve quality. The CQC inspection in 2014 showed that we have lots of good practice across the Trust but there were some areas where our performance did not meet essential quality standards. Since then, we have made improvements on:

- Compliance with mental health legislation
- Standards of record keeping
- Uptake of compulsory training.

We have also focused our attention on delivering improvements to the buildings we work and provide care in. We have improved the system for contacting estates and facilities teams with any issues, meaning these can be addressed more efficiently for the benefit of service users and staff.

We have looked at our governance process and made sure that the focus is about achieving fundamental standards. We are also sending out better performance reporting information to

teams. This helps them manage performance against the fundamental quality standards. These reports have been updated recently to include more information to help managers monitor sickness and staffing levels.

In July 2016 we received a full comprehensive CQC inspection. The CQC acknowledged there had been further progress since the previous inspection and rated 78% of our services as 'good' or 'outstanding' but overall our rating remained 'requires improvement'. We were delighted to see the CQC commend our staff as being 'respectful, caring and compassionate towards service users, relatives and carers'. Staff on the wards and during home visits maintained patients' dignity, privacy and confidentiality. The Trust scored higher than the England average on the patient-led assessment of the care environment for privacy, dignity and well-being. Our community services that support deaf and hearing impaired children and young people were rated as 'outstanding'.

The Trust has already taken steps to improve processes and to provide training and support where needed. Our action plan was submitted to the CQC on 16 December 2016 and was agreed. We are confident all 'must do' and 'should do' actions will be completed by July 2017. A specific electronic tool has been developed and implemented to support the tracking of all actions and this is monitored by the Trust's CQC Fundamental Standards Group.

### **3. Work with partners to develop a clear plan for the Trust's future direction**

We know that partnerships of people or organisations working together can often bring about far more benefits than working alone. Partnerships can offer more choices, options and opportunities for people to reach their goals. This could be a professional working in partnership with a service user to achieve better outcomes or it may be a team working with another team to deliver a more effective care and support pathway. It could be two or more organisations with shared values, working together to achieve their common aims and ambitions.

We have continued to build on the need to work much more in partnership with others. Significant and far reaching partnerships and recovery initiatives have been developed in recent years, and we have seen real successes from new and innovative partnerships. We developed a new Recovery and Rehabilitation service in 2015 that brought together our workforce with those of the third sector to create a new combined community recovery service. The results were service users receiving far more choice, more effective community support options, and significant a reduction in their reliance on inpatient beds. We continued our approach to these types of partnerships by creating a memory support service delivered by the third sector across the neighbourhood teams in Leeds. We also expanded our links to housing options through the co-location of housing gateway workers with our community teams, and we began closer working with adult social care to improve recovery and care planning options.

We are working much more closely with mental health and learning disability providers across the Sustainability and Transformation Partnership (STP) footprint. Our aim is to focus on making the best use of our specialist skills and resources and to collaborate in delivering better outcomes for service users. This means groups of providers working together to promote innovation in service commissioning and design while making measurable improvements to the quality of care.

In Leeds we have been identifying plans and priorities with primary care professionals, Adult Social Care, Leeds Community Healthcare and Leeds Teaching Hospitals NHS Trust. As an integral member of the Leeds Plan development partnership, we have been able to ensure that mental health and learning disability care is firmly recognised as a key priority. We advocate a far more integrated approach in terms of how mental and physical healthcare support is provided.

We know that those with mental health issues and learning disabilities have poorer general health outcomes when compared to the general population, while those with physical health long-term conditions often have undetected mental health issues affecting their overall health. Our priority is to work with others to bring mental health and learning disability expertise and leadership to new models of care. We will be working in partnership to ensure that mental health

and wellbeing is at the forefront of developments and wider health outcomes are improved for everyone.

All of our measures and initiatives continue to be managed through our governance framework, with our operational plan and strategy measures reports going to the Board of Directors.

## **2.1.1 Priority 1: Clinical effectiveness: people achieve their agreed goals for improving health and improving lives**

### **2.1.1.1 Progress against 2016/17 initiatives**

Our 2016/17 quality initiatives have been aligned to our 2013 to 2018 Trust strategy and what is the final year of our strategic objectives before these are relaunched in 2017/18.

Our key quality initiatives have been set out and described in our high-level action plan and within Strategic Objective 1: Quality and Outcomes.

#### **a) Development of a Memorandum of Understanding and integrated mental health pathways for clusters 4-17**

In 2016/17 we finalised the production of a procurement framework that will enable the Trust to develop legally sound partnerships across multiple providers with shared goals. This framework allows the Trust to initiate new service models with partners quickly and help bring about better outcomes to service users.

The framework has now been complemented by a Memorandum of Understanding (MOU) that has been agreed with partners and commissioners. The MOU was produced as part of a successful CQUIN and now provides a basis in which the Trust can develop the infrastructure towards being a lead provider. It creates a mechanism in which commissioners could commission a totality of outcomes from the Trust, which we could then sub-contract from partners. This initiative aims to provide better aligned service provision, a more seamless interface and improved outcomes for service users.

Part of this work has begun to develop supercluster specifications\* that each provider works within. Services for each have been identified, while 2017/18 will begin the development of a shared outcome framework. \**Mental Health Clustering Booklet v5 2016-17*; NHS England Publications Gateway Reference: 04421.

#### **b) Significantly reduce reliance on out of area placements**

Considerable work has been undertaken in 2016/17 to reduce the number of Leeds and York service users who have to be cared for in a bed outside the ones we provide. These are called out of area placements. A Rapid Improvement Event (RIE) took place to review why we were sending service users out of area. This involved:

- Looking at ways we can reduce out of area placements by looking at alternative ways to provide care
- Including all partners and stakeholders
- Making some changes
- Reviewing the changes and their impact.

In September the impact of the changes that we made from the RIE were positive and continued throughout the financial year. Continually reviewing the changes has been an ongoing part of the process.

Rehabilitation out of area placements have continued to be an issue for the Trust, and is more complicated than changing the assessment and discharge procedures. A comprehensive review of placements, processes and options is underway and will be completed early within 2017/18.

**c) Implement smoke-free services from April 2016**

The Trust implemented a smoke-free policy in April 2016. A nicotine management steering group was set up to provide guidance and support to service users and staff. We have been working through the challenges of changing practice and culture regarding nicotine management and as part of our preparations we trained 56 staff across our services as Level 2 smoking cessation advisors to assist service users with nicotine replacement therapy on admission to hospital. A review of the impact of this policy is underway and the findings will be reported to the Effective Care Committee in June 2017.

**d) Agree clinician reported outcome measures (CROM) and patient reported outcome measure (PROM) by Cluster Superclass**

This work set out to agree options for PROMs and to implement the outcomes project plan. Recovering Quality of Life (ReQoL) and Dementia Quality of Life (DemQoL) pilots were agreed in 2016 and applied to selected sites across the Trust, beginning in quarter 3.

**e) Complete a review of mental health legislation systems and processes and implement improvements**

A full review of the process notes provided to the mental health legislation officers was undertaken between April and June 2016. This related to the transfer of duties from Medical Records, and was supported by a programme of development work focused on ensuring that best practice in the use of mental health legislation was being applied across care services. The mental health administration system was subject to both internal and clinical audit. The outcome of the internal audit was 'significant assurance'. A total of 25 recommendations were made across both audits and a combined action plan was developed and completed by the end of June 2016.

**f) Continuing development of recovery focused services**

A considerable number of initiatives were agreed and developed throughout 2016/17 to support our ongoing approach to implementing recovery-focused services. These have included:

- EQUIP study (The EQUIP project is funded by the National Institute for Health Research Programme Grants for Applied Research Programme)
- Health coaching
- Improvements in choice through better care-planning
- Integration of psychologists into the Community Mental Health Teams (CMHTs)
- Continued training and rollout of the Triangle of Care.

**g) Implement a prototype Recovery College with Converge, Leeds Mind, and Leeds Universities**

The Trust worked extensively with partners to develop a Recovery College prototype in 2016/17. The aim of the Recovery College is to use education to improve mental health. Service users and professionals work together by co-producing, co-delivering and co-participating in the learning. Together they will design and deliver courses to others with or without a psychiatric diagnosis. Courses developed and delivered include:

- Understanding recovery
- Understanding mental health conditions
- Looking at mental health services and treatments
- Personal wellbeing and health
- Life skills, managing money and moving towards other education or employment
- Training, advocacy and peer-support skills.

A steering group and programme manager was established. Work-streams were set up to focus on:

- Care planning
- Information sharing
- Course development
- Developing and prototyping university Recovery College initiatives.

An evaluation is now underway and further developments are planned for 2017/18 focused on developing a digital and actual college for Leeds.

**h) Learning disability review, rebranding of the Leeds and West Yorkshire Chronic Fatigue Syndrome (CFS) & Myalgic Encephalomyelitis (ME) service, increasing capacity in the gender identity service, and implementing an in-house extended pharmacy service**

Considerable work has been developed in 2016/17 specific to specialist services. A comprehensive learning disability review has been undertaken, setting out options and proposals in relation to commissioner policies and intentions (for further details see section 2.1.3 (e)).

The Leeds and West Yorkshire CFS / ME Service is a specialist NHS service for people with Chronic Fatigue Syndrome (CFS) / Myalgic Encephalomyelitis (ME). The service is for adults aged over 17 years.

With the evolving service, a developing market and local competitors, the Trust made the decision to look at the marketing and branding of the CFS/ME service in order to provide an up-to-date presentation of the service to the general public and referring practitioners.

The Trust has increased the number of staff in our gender identity service to reduce referral to treatment waiting times. We have also extended pharmacy service to operate seven days per week with an in-house, on-call and 24/7 service.

**i) New primary care mental health initiatives, including the redesign of the Single Point of Access (SPA) and better links with the Improving Access to Psychological Therapies (IAPT) service**

Considerable work has been completed during 2016/17 on three prototypes across each of the Clinical Commissioning Groups (CCGs). These models are currently in place and will be reviewed by the CCGs to assess their responsiveness and future feasibility. The impact of these will affect our future design of SPA and how we better work with IAPT.

**j) Complete rollout of comprehensive performance dashboards to teams, including outcomes data**

We have completed the rollout of comprehensive performance dashboards across the Trust which incorporate valuable clinical and human resources data. Trial performance reviews have been conducted with the first formal review being planned for May 2017.

### **2.1.1.2 Initiatives for 2017/18**

For priority 1, we have set a number of measures of success for 2017/18. These were identified through wide consultation with staff, service users and carers, our Council of Governors and third party organisations. The measures will be developed and prioritised through our Quality Plan and monitored through our governance framework. These are:

- a) Ensure our services, where appropriate, are accredited with nationally recognised bodies

- b) Demonstrate that our services have assessed and determined where NICE guidance is relevant and plans are in place to implement these
- c) Have a clear audit plan to support the delivery of high quality care
- d) Have a clear plan to support the research and development strategy in the organisation. See further information in section 2.2.3
- e) Ensure that staff are trained to carry out the roles that are required of them and supported in their development
- f) Continue the development of outcome measures within the Trust.

## **2.1.2 Priority 2: Patient safety: people experience safe care**

### **2.1.2.1 Progress against 2016/17 initiatives**

Set out below is progress against the 2016/17 initiatives. Many of these have built upon the initiatives commenced in 2015/16.

- a) **We will continue to support staff to demonstrate compliance with CQC fundamental standards and test compliance through a process of Quality Reviews with the stated aim of achieving a 'good' rating at the next CQC inspection**

Overall the CQC acknowledged there has been progress made since the inspection in 2014. They observed that staff are respectful, caring and compassionate towards service users, relatives and carers. They also observed examples, on the wards and during home visits, where staff maintained patients' dignity, privacy and confidentiality.

The Trust has already taken the necessary steps to ensure more robust processes are in place to address the regulatory findings and these are detailed in our CQC action plan submitted on 16 December 2016. The work required is designed to improve our overall quality and safety supported by a refreshed well-led approach and governance structure. This will enable us to complete the actions and ensure they are delivered to a high standard. A specific tool has been devised and implemented to support the tracking of all actions and this is monitored by the Trust's CQC Fundamental Standards Group.

- b) **We will review all clinical risk assessment policies and tools and implement agreed changes**

We have reviewed both our clinical risk training and our approach to working with clinical risk across the organisation. This has involved significant engagement of clinicians and team managers and will inform the development of a new risk assessment and management procedure which will see us move towards co-produced safety planning being further trialled in a number of our services.

It is essential that we combine work on risk and safety planning with our work on refocusing our approach to CPA care planning and that this should be underpinned by a commitment to recovery practice.

A newly formed trust-wide group overseeing Care Planning, Safety Planning and Recovery (CaSPaR) will convene in May 2017 to agree a programme of work for the year.

### **2.1.2.2 Initiatives for 2017/18**

For priority 2, we have set a number of measures of success for 2017/18. These were identified through wide consultation with staff, service users and carers, our Council of Governors and third party organisations. The measures will be developed and prioritised through our Quality Plan and monitored through our governance framework. These are:

- a) Demonstrate that we have learnt lessons and introduced new practices through our review of incidents and complaints and publish this in our quality reports
- b) Demonstrate how we have changed practice based on themes identified through the Mental Health Safety Thermometer
- c) Evidence that we have applied the learning from our mortality reviews
- d) Embed clinical supervision in our services to support practitioners to practice confidently
- e) Complete and implement a Training Needs Analysis identifying the requirements for staff to work with new models of care
- f) Implement our suicide reduction plan.

### **2.1.3 Priority 3: Patient experience: people have a positive experience of their care and support**

#### **2.1.3.1 Progress against 2016/17 Initiatives**

- a) **We agreed with our commissioners a programme to roll out ‘Triangle of Care’ which is an approach to working with service users and their carers to ensure that carers and relatives feel engaged in the care and support of their loved ones. This programme is nationally recognised and the Trust will work closely with the central team**

The Triangle of Care (ToC) Staff Steering Group, Carers’ Steering Group and Locality Carers Leeds Group have progressed to reach the end of year one with significant achievements, including:

- ToC met all of the goals agreed with commissioners contained in the SDIP (Schedule 6; 2016/17).
- 80% of all in-scope community services (13 teams) have completed their self-assessments and are working on individual and joint team action plans to address areas where ToC standards are not being consistently met.
- Staff Carer Awareness training has been developed and classroom based training commenced in quarter 4. Amendments to the eLearning training package on Carer Awareness are being finalised and will be rolled out via iLearn as priority (not mandatory) training from the end of April 2017.
- Experience Based Co-design: Methodology designed, funding approved and filming has commenced. To be rolled out in pilot site.
- Initial work has started on a Carer Pathway and Strategy to draw together various strands of carer and family work across the Trust.
- Contribution to My Care Plan guidance on work with carers.
- Carers’ Charter: As part of the ongoing Triangle of Care (ToC) three-year implementation work we agreed to revitalise our Carers’ Charter. The aim of the Charter is to encapsulate the Trust’s commitment to carer involvement in, and support from, our services and to set out what carers can expect from our organisation and staff.

The Carers’ Steering Group has influenced several aspects of the above work including the Carer Awareness Training, survey methodologies, Experience Based Co-Design (EBCD), and document development (Confidentiality guidelines, Carers’ Charter).

Building on the progress already made there remains a lot of work to be done in years two and three to maintain momentum and build on the work completed so that carers’ experience of our services improve. This will require a continued Trust commitment to ToC with protected time to lead the implementation. The national ToC accreditation body states that dedicated

leadership roles are one of the most consistent factors in mental health trusts who successfully embed and sustain ToC. The Trust is committed to this.

**b) We will complete a review of our compliance with mental health legislation systems and processes and implement identified improvements**

A comprehensive review of the Trust's Mental Health Act administration governance processes was completed in 2016. This led to:

- More resources to support this function
- Refreshed leadership
- Improved systems to support the application of the Mental Health Act.

The Trust has seen a significant improvement in the quality of our application of the Act. This was endorsed by a peer-led review undertaken by a neighbouring NHS Trust.

The review commenced with a process mapping exercise and concluded with a range of improvement actions being undertaken. These included:

- The addition of two staff to support the administration of the Mental Health Act
- Standard operating procedures being drawn up for all Mental Health Act administrative functions
- Ongoing training for those administering the Mental Health Act
- A peer review of the new administrative procedures by a neighbouring trust, who found clear improvement had been made and processes to be robust
- An external audit by NHS Audit Yorkshire reported significant assurance regarding the effectiveness of the processes in place to ensure compliance with the requirements of the Mental Health Act 1983 and the Mental Health Act code of practice
- The monitoring of adherence to procedures to ensure their effectiveness – monthly sample audits of documentation and an annual audit of the legal documents for all patients subject to the Mental Health Act within the Trust
- A programme of training to support the Mental Health Act Managers in the execution of their functions under the Act
- The introduction of electronic recording for Section 62 and Section 132 to facilitate the monitoring of compliance in these areas with the Mental Health Act and Code of Practice.

Mental Health Legislation training remains compulsory for all staff within the Trust and compliance has increased from 76% (April 2016) to 89% (March 2017). In addition, specialist training on consent and deprivation of liberty has been provided for those working with children and young people.

**c) We will maintain delivery of targets, in particular access to memory services, physical health screening, acute out of area placements**

**Memory Service:** Meeting the commissioner agreed target of 'referral to first face-to-face contact within 8 weeks' for Memory Services has been a challenge. It was deemed necessary to redesign the pathway, which included how we collect the information and record it on our electronic patient records (PARIS). In quarter 4 2016/17 77.4% of referrals had a first face-to-face contact within 8 weeks.

The second target for Memory Services is 'referral to diagnosis'. We agreed with our commissioner to amend the target time from 8 weeks to 12 weeks to reflect the new clinical pathway. In quarter 4 2016/17 48.8% of referrals were diagnosed within 12 weeks and we are working hard to achieve the 80% target that has been set.

**Physical Health Screening:** The requirements for physical health screening for people with a mental illness changed this year. This required us to look at the way in which we do this as a clinical service. We completed a physical health pilot service in the West Locality of Leeds.

The results had a positive impact on improving screening and the physical health of service users. A new pathway has been developed and is in the process of being consulted. This will ensure we are able to screen the community patients appropriately.

Last year we improved our performance in relation to the physical health screening for inpatients. The electronic collection of this data commenced in April 2016 and there has been progress throughout 2016/17. In March 2017 56% of eligible discharges had documented screening and interventions in relation to smoking, alcohol use, substance use, nutrition, hypertension, diabetes and obesity during their inpatient stay.

Further work to date has seen performance improve again. The recent revised NICE guidance on the monitoring of service users in receipt of antipsychotic medication has clarified the roles and responsibilities of clinicians.

**d) Ensure sustained delivery of the CQC action plan, in particular: appraisal targets; compulsory training targets; mental health act legislation standards; record keeping standards; complaints handling; and environmental / estates standards**

Following the CQC report in November 2016, the Trust has focused on supporting staff to complete their compulsory training and having an annual appraisal. The Trust implemented a new learning management system called iLearn as a key strategy in improving compliance with compulsory training. Our performance in compulsory training improved and we have achieved the 85% compliance target. The iLearn system has been further developed to support staff with appraisal and clinical supervision, and whilst the trajectory has improved our appraisal rate remains under the 85% threshold.

The quality improvement in the Mental Health Legislation service has seen a reduction in defective detentions and our policies and procedures are now fully compliant with the Mental Health Act Code of Practice.

We continue to make improvements, as noted by the CQC, in our management of complaints.

Following the establishment of a Clinical Environments Operational Group, the Trust has improved the efficiency with which estate issues are responded to and managed.

**e) We will complete a review of learning disability services and implement changes agreed with commissioners including community services, assessment and treatment, respite and local response to Transforming Care**

The Community Learning Disability Review was presented to the Trust's Senior Management Group in January 2017. A Trust led, multi-disciplinary project group, endorsed by the multiagency project board proposed a new model in line with *Transforming Care for People with Learning Disabilities*\*. This was approved for implementation. \**Transforming Care for people with Learning Disabilities – next steps*; NHS England, January 2015.

The new model includes

- A revision of current team structures and provision
- Revised access criteria to services focusing on acute and / or complex needs
- The creation of an assessment and referral team to streamline the front end process
- Creation of a Health Facilitation Team to support the national driver for mainstream services to make reasonable adjustments to see people with a learning disability. The focus for the first two years will be to work with GPs and the Trust's internal services
- Reducing input into Day Services. Work will take place over the next year to support some of the services to take over some of the care provision we currently deliver.

The new model is expected to be implemented in the summer of 2017.

### 2.1.3.2 Initiatives for 2017/18

- a) Roll out the Triangle of Care across our services
- b) Develop mechanisms to record service user and carer feedback and demonstrate that we have taken action to make changes based on this. This will include the Friends and Family Test as well as other feedback systems developed by the Trust
- c) Implement a holistic approach to ensure that physical and mental health receive the same level of attention from staff
- d) Devise measures to support service users with housing and employment
- e) Implement the new learning disability model.

### 2.1.4 Additional quality information

In line with the 'Sign up to Safety' pledge made in 2015/16 we remain committed to developing a culture that is safe and supportive and demonstrates that we learn the lessons when things go wrong.

The Mortality Review Group, established in 2016, and the initiatives being taken forward through the review of our Serious Incident and Risk Management procedures are example of how we are trying to achieve this.

#### 2.1.4.1 Learning from deaths

An additional set of questions were added to the DATIX incident reporting form in relation to death. This information has been reviewed at the Mortality Review Group and the questions are:

- When was the Trust's last contact with the service user?
- List details of the current care plan
  1. Was the care plan adhered to?
  2. When did the last care plan review take place?
  3. Was the care plan appropriate to meet the needs of the service user?
    - Current diagnosis
    - Is there anything we could have done better?
    - Would it have made a difference?
    - Do you have any other concerns?
    - Who is the service user's registered GP / Practice?
    - Has there been contact with the family?

In response to the Mazars report, following the death of Conor Sparrowhawk at Southern Health NHS Foundation Trust, the CQC reviewed how deaths were investigated by NHS trusts in England. Their findings, published in the *Learning, Candour and Accountability* report (December 2016) identified there was no standard way of doing this. The report also recognised the need for much better family involvement in the care of their loved ones, not least listening to their concerns and being more open and transparent about any failings in care. The Trust Board of Directors has taken action to ensure it meets the requirements set out in this report.

In March 2017, the National Quality Board published their *National Guidance on Learning from Deaths: A Framework for NHS Trusts and NHS Foundation Trusts on Identifying, Reporting, Investigating and Learning from Deaths in Care*, NHS England.

The Trust has been working with other trusts across Yorkshire, Humber and the North East to review the recommendations set out in the above reports. The aims are to develop a consistent approach to how deaths are investigated and our duty of candour to families is consistently achieved.

#### 2.1.4.2 Duty of Candour

The Trust completed the following actions to comply with Duty of Candour:

- Ensure families / carers are made fully aware of the serious investigation process and given the opportunity to raise any questions
- Has a procedure in place so that employees can raise concerns that they believe are in the public interest and have not been dealt with through the Trust's other internal processes
- The open reporting of incidents (including near misses and 'errors') is positively encouraged by the Trust, as an opportunity to learn and to improve safety, systems and services
- If a service user, their carer or others inform Trust staff that something untoward has happened it is taken seriously and treated with compassion and understanding by all Trust staff from the outset
- Service users and / or their carers can reasonably expect to be fully informed of the issues surrounding any adverse incident, and its consequences. This will usually be offered as a face-to-face meeting and will be undertaken with sympathy, respect and consideration.

#### 2.1.4.3 National Staff Survey

Every autumn the Trust participates in the National NHS Annual Staff Survey. The results are published nationally and can be obtained from the national NHS staff survey website. The 2016 NHS Staff Survey results showed some positive results.

More staff felt they were delivering the care they aspire to. There was 6% increase from the previous year (now 67%) and 83% said they were satisfied with the quality of the care they are able to give service users.

A record number of Trust staff took part in the 2016 national survey with 53% (1265) completing the 90 question survey. This is 3% above the national average for mental health and learning disability trusts in England.

The Trust's results show some improvements in six key areas compared to the 2015 scores. These include:

- Number of staff receiving appraisals
- Development opportunities
- Quality of non-compulsory training
- The Trust's commitment to staff health and wellbeing
- How the organisation appreciates and values its workforce.

#### Areas of improvement for 2016

It is recognised that the baseline position for some of these measures is low; however, it is encouraging that the Trust was able to demonstrate an improvement from 2015/16 position (Table 1) and was better than the national average in the areas set out at Table 2.

Table 1

Key results	Trust score/percentage 2016	Trust score/percentage 2015
Percentage of staff who feel that they are able to deliver the care they aspire to give	67%	61%
Percentage of staff who feel that they are able to meet all the conflicting demands on their time	45%	37%

Key results	Trust score/percentage 2016	Trust score/percentage 2015
Percentage of staff who do not feel under pressure from their manager to come to work when ill	82%	75%
Percentage of staff who in the last three months have come to work despite not feeling well enough to perform their duty	63%	67%
Percentage of staff who feel that their immediate manager values their work	76%	71%
Percentage of staff who feel confident that the Trust will address their concerns	57%	52%
Percentage of staff who feel that the Trust values the work they are doing	39%	34%
Percentage of staff who feel unwell as a result of work related stress	35%	40%

Areas where the Trust is performing better than the national average for mental health and learning disability trusts in England:

**Table 2**

Key finding	Trust score/percentage 2016	National average for MH/LD trusts	Difference
Percentage of staff who have received an appraisal in the last 12 months	91%	89%	+2%
Percentage of staff feeling unwell due to work-related stress in the last 12 months	35%	41%	+6%
Percentage of staff reporting errors, near misses or incidents	93%	92%	+1%
Percentage of staff working extra hours	70%	72%	-2%
Percentage of staff reporting most recent experience of harassment, bullying or abuse	64%	60%	+5%
Percentage of staff believing that the organisation provides equal opportunities for career progression or promotion	87%	87%	Same

The Trust compared less favourably with other mental health and learning disability trusts in the following areas and these will be our area of focus in 2017/18.

**Table 3**

Key Findings	Trust score/percentage 2016	National average for MH/LD trusts	Difference
Effective team working (the higher the score out of 5, the better)	3.72	3.82	-0.12
Percentage of staff experiencing physical violence from service users, relatives or the public in last 12 months	26%	21%	+5%
Percentage of staff reporting good communication with senior management	30%	35%	-5%
Staff motivation at work (the higher the score out of 5, the better)	3.82	3.91	-0.09
Staff feeling that they can contribute towards improvements at work	72%	73%	-1%
Effective use of service user feedback (the higher the score out of 5, the better)	3.57	3.70	-0.13
Percentage of staff witnessing potential harmful errors, near misses or incidents in the last 12 months	29%	27%	+2%
Fairness and effectiveness of procedures for reporting errors and near misses	3.62	3.71	-0.09

Following the results of the survey in 2015 the Trust launched specific programmes of work to address some of the key themes and areas for improvement. The 2016 results show that staff are reporting significant improvements in these areas.

This work allowed all staff to input into the development of our new organisational strategy and to co-create our new vision and values. There was also a series of open 'listening events' with the Chief Executive and members of the executive team. Staff reported that they felt more involved in decision-making this year. This work has included investment in the Your Voice Counts crowdsourcing platform. There were over 600 stakeholders who contributed, providing 6419 comments.

There were 3 areas of focus:

- Focus 1: Draft vision, values and behaviours – 4029 comments
- Focus 2: Validate new vision, values and behaviours – 668 comments
- Focus 3: Draft of new framework for five year plan – 1722 comments.

We have also focused on staff experience, including:

- A new Employee Assistance Programme
- Improved reporting systems
- New appraisal policy
- More training and professional development opportunities.

Our staff are reporting:

- 5% reduction in work-related stress
- Not working additional hours

- Being better able to report bullying.

We are also performing better than the national average for mental health trusts in these areas.

There has been a 3% increase in staff satisfaction with regard to resourcing. There has been some significant work around recruitment over the last 12 months, including:

- Targeted recruitment campaigns for the forensic services
- Introduction of incentive payments to attract new nurses
- Development of a retention strategy.

We know we have much more work to do, but these results show that our efforts are already beginning to make a difference.

#### **2.1.4.4 Safer Staffing**

The Trust continues to monitor, report and act on staffing requirements during a challenging time for recruitment. The Board of Directors reviews the monthly exception reports and the actions taken. The Trust also continues to meet reporting submissions which are published on our website.

In December 2015 the Trust embarked on a new method of recruiting Health Support Workers and Band 5 / Band 6 Nurses, which formed part of a defined Recruitment Project.

The Recruitment Project commenced in December 2015 and set out several objectives which focused around increasing staffing levels within the two Care Groups, and also introduced a more robust and consistent selection process and methodology. The longer-term view of adopting a new recruitment process was to potentially increase the objectivity within the process, and to also ensure that adequate selection factors and testing were in place to guarantee (as far as is possible) that new recruits met some essential core competencies within the defined roles and responsibilities.

The new recruitment process focused on some core principles:

- All candidates will complete testing focused around some of the core clinical competencies for their role (or numeracy and literacy for Health Support Worker (HSW) vacancies)
- All candidates will complete a values-based assessment during the process to ensure an alignment with our Trust values. This part of the process involves service user inclusion and input into the recruitment process
- All candidates will be interviewed and their responses measured on specifically agreed interview questions. These questions are a combination of generic questions (appropriate to the role of a nurse, for example) and then the candidates will also respond to additional interview questions that are service specific and relate to the relevant individual service's core responsibilities.

2016/17 saw these recruitment principles being embedded, forming part of the standard recruitment process relating to HSW, Band 5 and Band 6 nurses. This process is also being implemented for other clinical front-facing roles within the Trust, such as Occupational Therapists.

This new recruitment process, with the additional testing and values based elements, goes some way to ensuring that there is a consistent approach in the selection process, and from a safer staffing perspective ensures that new nursing and HSW recruits meet the core minimum standards.

In 2016/17 there were:

Recruitment Events: 2016 = 11  
 Recruitment Events: 2017 = 10  
 Appointments Made: Total = 289.

#### **2.1.4.5 Accreditation schemes, quality networks and Quality Improvement Programme**

The following services participated in accreditation schemes, quality networks or Quality Improvement Programme (QIP) topics audited by the Prescribing Observatory for Mental Health (POMH-UK).

It is a national requirement for English Trusts to participate in the Mental Health CQUIN for which we also collect data on behalf of NHS England.

The CQC recognises the value of participation in accreditation schemes and quality improvement networks. Participation demonstrates that staff members are actively engaged in quality improvement and take pride in the quality of care they deliver.

- MSNAP: Memory Services National Accreditation Project - Leeds Memory Service – Accredited
- PLAN: Psychiatric Liaison Accreditation Network - Leeds Liaison Psychiatry Service (Leeds General Infirmary, St James' University, Chapel Allerton and Seacroft Hospitals) – Accredited
- ECTAS: Electro Convulsive Therapy Accreditation Service - Becklin – Accredited as excellent
- Perinatal Inpatient: The Yorkshire and Humber Mother and Baby Unit – Accredited
- Perinatal: Community Accredited settings - Leeds Perinatal Mental Health – Participating but not yet undergoing accreditation
- QNFMHS: Quality Network for Forensic Mental Health Services - Clifton House (Low Secure Unit - LSU) and Newsam Centre (LSU) – Accreditation not offered by this network
- QED: Quality Network for Eating Disorder Services - Ward 6, Newsam Centre – Accredited.

The Trust is participating in the following Quality Improvement Programmes (QIP):

- QIP 16a: Rapid tranquilisation
- QIP 7e: Monitoring of patients prescribed lithium
- QIP 11c: Prescribing antipsychotics for people with dementia.

#### **2.1.4.6 Freedom to Speak Up Guardian**

We appointed a local Freedom to Speak Up Guardian (FTSUG) as recommended by Sir Robert Francis following his review and subsequent report into failings at the Mid Staffordshire NHS Foundation Trust in February 2013 and the further review in February 2015. This role commenced on the 16 October and has been allocated 3 days per week which allows sufficient time to carry out the duties.

To raise awareness of the role and the process for raising concerns a communication strategy was launched in November 2016. The role was introduced via the Trust's Intranet and flyers and posters were distributed throughout the organisation, including at the corporate induction day. The FTSUG attends Staffside meetings, HR meetings, care group governance and business meetings, local clinical team meetings, professional meetings as well as walkabouts at Trust sites.

Since commencing in October 2016 there have been a total of 9 individual concerns raised to the FTSUG up to and including the 31 March 2017.

#### **2.1.4.7 Actions to promote and improve equality, diversity and inclusion for Black and Minority Ethnic (BME) service users**

We have carried out the following actions to promote and improve inclusion for BME service users:

Access and experience of crisis care services in Leeds for Black, Minority and Ethnic communities. Partnership working between the Trust's Head of Diversity and Touchstone to undertake a review of relevant literature and data in order to improve understanding of the experience of crisis care pathways by BME communities in Leeds, and to support crisis care development work.

Phase 1 analysis areas include:

- How people from Black, Minority and Ethnic (BME) communities access help when they or somebody they care for reaches crisis point
- What happens when people from BME communities ask for help
- Any differences in the levels or patterns of access to secondary mental health crisis services between BME communities and the White British population.

Key initial findings presented to the Trust's Equality and Inclusion Group (February 2017) and Leeds Crisis and Urgent Care Group (March 2017). Further analysis of detention rates to be completed by the end of April 2017 and findings and recommendations to be presented to the Trust's Mental Health Act Legislation Committee in May 2017 and full report to be completed by the end of quarter one, 2017/18.

Refugees and asylum seekers. Collaborative work has taken place between the Leeds North CCG and Solace within the East North East Community Mental Health Team (CMHT) to implement a model that increases access to direct support and strengthens knowledge and awareness of best practice in supporting refugees and asylum seekers. An initial evaluation has commenced with post-training evaluations identifying a marked increase in confidence and knowledge levels of staff. This model is to be extended to both the South and West North West CMHT in 2017/18.

## **2.2 STATEMENT OF ASSURANCE FROM THE BOARD**

The following sections (2.2.1 to 2.2.9) provide assurance on the services provided by the Trust.

### **2.2.1 Health services**

During 2016/17 the Trust provided and / or sub-contracted five relevant health services. These are:

- Learning disability
- Adult mental illness
- Forensic psychiatry
- Old age psychiatry
- Child and adolescent psychiatry.

The Trust has reviewed all the data available on the quality of care in five of these relevant health services.

Below is a list of the specialist services that the Trust provides:

- Forensic services
- CAMHS Tier 4 inpatient services
- Eating disorders services
- Gender identity services
- Liaison psychiatry
- National Deaf Children and Families Service
- Northern School of Child and Adolescent Psychotherapy (NSCAP) clinical services
- Perinatal services
- Personality disorder service.

The income generated by the relevant health services reviewed in 2016/17 represents 100% of the total income generated from the provision of relevant health services by the Trust for 2016/17.

### **2.2.2 Participation in clinical audits and national confidential enquiries**

During 2016/17 five national clinical audits and three national confidential enquiries covered relevant health services that the Trust provides. During that period the Trust participated in 100% of national clinical audits and 66% of national confidential enquiries of the national clinical audits and national confidential enquiries which it was eligible to participate in.

The national clinical audits and national confidential enquiries that the Trust was eligible to participate in during 2016/17 are as follows:

- National Confidential Inquiry into Suicide and Homicide (NCISH)
- National Confidential Enquiry into Patient Outcome and Death (NCEPOD) – Young People and Young Adults Mental Health
- Learning Disability Disabilities Mortality Review Programme (LeDeR)
- Prescribing Observatory for Mental Health, UK (POMH-UK) – Topic 11c Prescribing antipsychotic medication for people with dementia
- POMH-UK – Topic 7e Monitoring of patients prescribed Lithium
- POMH-UK – Topic 16a Rapid Tranquillisation
- POMH-UK – Topic 1g Prescribing high dose and combined antipsychotics
- National Mental Health Commissioning for Quality and Innovation (CQUIN) Indicator 3a - Cardio-metabolic screening.

The national clinical audits and national confidential enquiries that the Trust participated in during 2016/17 are as follows:

- NCSH
- NCEPOD
- POMH-UK – Topic 11c Prescribing antipsychotic medication for people with dementia
- POMH-UK – Topic 7e Monitoring of patients prescribed Lithium
- POMH-UK – Topic 16a Rapid Tranquillisation
- POMH-UK – Topic 1g Prescribing high dose and combined antipsychotics
- National MH CQUIN Indicator 3a - Cardio-metabolic screening.

The national clinical audits and national confidential enquiries that the Trust participated in, and for which data collection was completed during 2016/17, are listed below. These sit alongside the number of cases submitted to each audit or enquiry as a percentage of the number of registered cases required by the terms of that audit or enquiry.

Table 1 below provides information on the national clinical audits and national confidential enquiries that the Trust gathered data for in 2016/17. Not all of these projects had reached the point of producing and disseminating reports during 2016/17.

**Table 1**

<b>Audit / confidential enquiry</b>	<b>Cases required</b>	<b>Cases submitted</b>
NCISH	No set number required	100% of those required
NCEPOD	11	91% of those required
POMH-UK – Topic 11 c Prescribing antipsychotic medication for people with dementia	No set number required	41
POMH-UK – Topic 7e Monitoring of patients prescribed Lithium	No set number required	68
POMH-UK – Topic 16a Rapid Tranquillisation	No set number required	3

Audit / confidential enquiry	Cases required	Cases submitted
POMH-UK – Topic 1g Prescribing high dose and combined antipsychotics	No set number required	Data collection in progress
National MH CQUIN Indicator 3a - Cardio-metabolic screening	150	100%

Table 2 below provides information on projects that produced a report during 2016/17. Some of these will have gathered data in 2015/16 therefore do not appear in the table above.

The reports of five national clinical audits were reviewed by the provider in 2016/17 and the Trust intends to take the following actions to improve the quality of healthcare provided.

**Table 2**

Project no. (cycle) and title	What are we going to do?
POMH-UK – Topic 9b Antipsychotic medication in people with learning disabilities	To improve the areas of low compliance identified in the audit we recommend: <ul style="list-style-type: none"> <li>• Sharing information with colleagues about areas of good practice</li> <li>• Raising awareness of extrapyramidal symptoms (EPS) and blood pressure monitoring and documentation</li> <li>• Utilising the Leeds Care Record for blood pressure reading</li> <li>• Ensuring availability of medical equipment in out-patient areas.</li> </ul>
POMH-UK – Topic 14b Prescribing for substance misuse: alcohol detoxification	To improve the areas of low compliance identified in the audit we recommend: <ul style="list-style-type: none"> <li>• Documenting assessment especially alcohol history, breath alcohol and physical examination</li> <li>• Screening for all three signs and symptoms of Wernicke's encephalopathy</li> <li>• Carrying out the following blood tests: GGT, Clotting and Glucose</li> <li>• Prescribing Thiamine parentally.</li> </ul>
POMH-UK – Topic 15a Prescribing for bi-polar	To improve the areas of low compliance identified in the audit we recommend: <ul style="list-style-type: none"> <li>• Do not routinely prescribe valproate to women of child-bearing age</li> <li>• Giving written information about the use of valproate to all bipolar patients</li> <li>• Providing an early or on-treatment review that includes screening for the common side effects of the medication to those patients prescribed valproate</li> <li>• Documenting evidence that body weight and / or BMI and blood pressure have been measured over the past 12 months.</li> </ul>
POMH-UK – Topic 11 c Prescribing antipsychotic medication for people with dementia	To improve the areas of low compliance identified in the audit we recommend: <ul style="list-style-type: none"> <li>• Documenting the potential risks and benefits of antipsychotic medication by the clinical team, prior to initiation</li> <li>• Discussing with the patient and / or carer(s) the potential risks and benefits of antipsychotic medication, prior to initiation</li> <li>• Reviewing medication and document the outcome of the review in the clinical records - the medication review should take account of possible adverse effects.</li> </ul>
National MH CQUIN Indicator 3a - Cardio-metabolic screening	To improve the areas of low compliance identified in the audit we recommend: <ul style="list-style-type: none"> <li>• Making the Lester tool available to all clinicians</li> <li>• Developing an electronic form, accessed via the PARIS health record, for all clinicians to use to record the results of cardio-metabolic screening.</li> </ul>

The reports of 42 local clinical audits were reviewed by the provider in 2016/17 and the Trust intends to take the following actions to improve the quality of healthcare provided.

**Table 3 - Local audit findings review**

Project No. (Cycle) and Title	What are we going to do?
0150(1) - Audit of compliance with Trust Venous Thromboembolism (VTE) prophylaxis guidelines	<ul style="list-style-type: none"> <li>• To improve awareness of the guideline and process within the Trust among junior doctors: the inclusion of the importance of VTE assessment to be included at the induction for junior doctors.</li> <li>• To improve the ongoing use of the VTE risk assessment tool to be completed for every new admission to inpatient wards: to discuss with Pharmacy regarding the inclusion of VTE risk assessments on the End to end E-prescribing &amp; Medicines Administration (EPMA) for all patients admitted to inpatient wards as a mandatory requirement.</li> <li>• The assessment tool to include the recommended treatment for individuals deemed at risk of VTE as per NICE guidelines.</li> </ul>
0003(1) - Electronic Record Keeping in the Pathway Development Service (PDS)	<p>Senior staff to meet to discuss and develop clear and specific standards for record keeping. Those standards should outline:</p> <ul style="list-style-type: none"> <li>• The Trust policy guidelines for timeliness of record keeping and what to record when records are updated later than 24 hours after contact</li> <li>• A list of the events must be recorded on the electronic patient record (PARIS)</li> <li>• A list of documents that must be uploaded onto PARIS and who is responsible for doing this</li> <li>• A clear structure for entries onto PARIS.</li> </ul>
0006(2) - Compliance of high-dose antipsychotic monitoring (Red Cards)	Implementing a pathway for monitoring high dose antipsychotic treatment.
0011(1) - Offender Personality Disorder Pathway Quality Formulation Audit	<p>Consideration should be given to:</p> <ul style="list-style-type: none"> <li>• Amending both templates to include a discussion of the quality of information used to develop the formulation, and on the case surgery template to include data sources</li> <li>• Amending case surgery templates to prompt for the inclusion of strengths and protective factors</li> <li>• Developing a briefing or training package on evidence-based strengths and protective factors for inclusion in a Team Development Day</li> <li>• Addition of an explicit prompt to include the views of relevant professionals and any updates or changes to the formulation on both case surgery and formulation templates.</li> </ul>
0012(3) - Mental Capacity Act (MCA)	In order to improve levels of knowledge and understanding with regard to the MCA and Deprivation of Liberty Safeguards (DoLS) it was agreed that this training become compulsory for all Trust staff, and that it should be completed at least every 2 years. In addition the training will be reviewed to ensure that the DoLS component, particularly with regard to obtaining DoLS authorisation, is clear.
0036(2) - Consent to medical treatment in Forensic psychiatry inpatient service in York	<p>Raise awareness of, and implement, local standards as follows:</p> <ul style="list-style-type: none"> <li>• T2 reviews need documenting in the notes</li> <li>• Admissions not to be when RC on leave</li> <li>• Those within 3 month rule should have capacity assessed and documented</li> <li>• T2 and T3 forms should be checked regularly.</li> </ul>

Project No. (Cycle) and Title	What are we going to do?
0040(2) - Antimicrobial prescribing	<p>The following areas of low compliance should be improved:</p> <ul style="list-style-type: none"> <li>• Documentation of symptoms, antimicrobial dose and duration in notes</li> <li>• Prescribing for skin infection</li> <li>• Indication documentation on drug chart</li> <li>• Clinical review of response to treatment</li> <li>• Documenting omitted doses of antibiotics</li> <li>• Compliance with Trust guidance.</li> </ul>
0055(3) - Nutritional screening of the patients admitted to Parkside Lodge and Woodland Square	<ul style="list-style-type: none"> <li>• Nutritional screening tool (NST) to be included in 72-hour admission paperwork: dietician to communicate to all nursing staff the need to complete the NST</li> <li>• Complete NST every 3 months, especially follow up repeats:</li> <li>• Senior nurse to ensure repeat NST is included with CPA documents</li> <li>• Develop pathway for referring to dietitian via creation of a centralised system for dietetic referrals</li> <li>• Involve nurses in the NST audit process: named nurse to be</li> <li>• Involved in implementing the actions and involved in completing further audit cycles.</li> </ul>
0057(3) - Monitoring of Patients Prescribed Lithium in a Lithium Clinic of Community Learning Disability Team (CLDT)	<ul style="list-style-type: none"> <li>• Improve awareness of the local guideline and process</li> <li>• Improve use and completion of the audit tool following every review at the lithium clinic</li> <li>• Improve monitoring of deficit in electrocardiogram (ECG) and weight/body mass index.</li> </ul>
0058(2) - Prescription Chart Audit	<p>The introduction of end-to-end E-prescribing &amp; Medicines Administration (EPMA) will serve to rectify many of the issues identified in this audit as many of the parameters measured will become mandatory and these results therefore serve as a baseline prior to its implementation. There will however continue to be areas that staff need to ensure they improve on as they will not be affected with the introduction of EPMA.</p> <p>To improve the following areas:</p> <ul style="list-style-type: none"> <li>• Documenting Patient Identification (ward name and patient number)</li> <li>• Recording Mental Health Act Status</li> <li>• Identifying and adhering to start and stop dates</li> <li>• All prescriptions should be legible and black indelible ink should be used</li> <li>• Using a code every time a medication is omitted</li> <li>• Specifying a maximum dose for non-routine (PRN) medication.</li> </ul>
0068(2) - MHA Sections 58, 132 & 17 Audit	<p>The multi-disciplinary team to ensure that the responsible clinician (RC) feeds back the second-opinion appointed doctor (SOAD) assessment outcome to service users under their care</p> <p>Each unit to identify a specific individual responsible for filing section 17 forms and for sending relevant copies to medical records, service users and cares where applicable.</p> <p>For each unit to have systems in place to ensure 132 rights are read and reviewed on time and any delays to be accordingly documented on PARIS.</p> <p>For CTMs to capture feedback from service users about their expectations around the identified 19 standards.</p>
0112(2) - Electrocardiogram (ECG) monitoring of patients on adult psychiatric inpatient wards	<ul style="list-style-type: none"> <li>• Ensure education about QTc prolongation features during the junior doctor induction programme, including advice about how to act on it, and where to access this information.</li> <li>• Highlight the need for clear documentation when unable to perform an ECG, and the reason why this was the case.</li> <li>• Identify a system to alert staff when a patient has had an inpatient stay of greater than 6 months, so that physical monitoring can be repeated.</li> </ul>
d0129(2) - CAMHS Communication profile (CP)	<p>A number of recommendations were drawn up including the auditor working with all specialist deaf outreach workers (SDOWs), to discuss how they can be proactive and take a leading role in CP visits; how SDOWs could take more responsibility for the CP process and how to improve recording in clinical notes and participation in follow up and review discussions.</p>

Project No. (Cycle) and Title	What are we going to do?
0134(1) - Monitoring Physical Health Consequences of Clozapine	<ul style="list-style-type: none"> <li>To improve adherence to policy, taking a most robust approach.</li> <li>To improve involvement of staff in monitoring practice.</li> <li>To improve knowledge of staff on Clozapine prescription and monitoring.</li> </ul>
0145(3) - Physical Health Monitoring Becklin Centre	<ul style="list-style-type: none"> <li>A more robust approach to monitor adherence to policy could still be applied. For example, it is recommended that monitoring practice is addressed promptly and distinctively by concerned clinicians during medications reviews, a monitoring tool can be designed for this purpose.</li> <li>To make sure that all monitoring events are reported in a timely and clear manner and easily accessible for future reference.</li> <li>Routine checks should include electrocardiogram (ECG) and a full range of blood tests as the majority of patients are on psychotropic medications.</li> <li>Ensure that staff involved in monitoring practice are fully aware of the time scales and the required tests for different medications.</li> <li>To maintain improvement that has been achieved.</li> <li>To raise patients' awareness of the importance of having their physical health regularly checked which can improve compliance with treatment and prevent undue complications of medications.</li> <li>Re-audit in 6 months to monitor compliance to policy.</li> </ul>
0147(2) - Audit of the use of Citalopram in a community learning disability team	<p>Baseline investigations will be carried out if any service users are due to be started on citalopram.</p> <p>If the relevant investigations (bloods and ECG) have not been done after the initiation of citalopram, it should be organised during the next outpatient review by liaising with the general practitioner.</p>
0156(1) - Older People's medical record Keeping audit (South and West CMHTs)	<ul style="list-style-type: none"> <li>Ensure senior doctors in West North West Locality are aware of and have read the Trust record keeping standards</li> <li>To improve documenting of the following standards: <ul style="list-style-type: none"> <li>- Time (standard 2)</li> <li>- Service User consent to disclose information (standard 8).</li> </ul> </li> </ul>
0172(2) - An audit of the process and quality of risk assessment within the forensic service (use of HCR-20 V3)	<p>It is thought that the improvement in quality since cycle 1 is due to training of staff (85% of the assessors audited had received training in this cycle of audit); however there is a need to maintain this. Other actions to support staff in implementing good practice are to be actioned including:</p> <ul style="list-style-type: none"> <li>Formulation meetings</li> <li>HCR champions,</li> <li>Re-introduction of a flowchart of expected timescales for HCR completion</li> <li>Review availability of user manuals.</li> </ul> <p>Another action focused on encouraging service users and carers to be involved in the HCR assessment, for example the carer champions to maximise carer involvement when completing HCR.</p>
0189(1) - Audit of Pharmacist Prescription Level Review Practice at the Becklin Centre	<ul style="list-style-type: none"> <li>Pharmacists to document any relevant circumstances that delay the completion of the first level 2 review.</li> <li>Pharmacists to continue to sign and date all level 2 and 3 reviews on the prescription chart. (It appears that level 3 reviews are being carried out; however it is unclear whether these are all being recorded.)</li> <li>Encouraging Pharmacists to make an entry on PARIS upon completion of a level 3 review would not only be a solution to this, but would also provide insight into the quality of interventions and outcomes that arise as a result of carrying out the review.</li> </ul>
0200(2) – Clinician -Reported Outcome Measures (CROMs) & Patient-Reported Outcome Measures (PROMS) in the Yorkshire Centre for Psychological Medicine (YCPM)	<p>To carry on with the good practice shown in this project. No action plan required.</p>

Project No. (Cycle) and Title	What are we going to do?
0201(1) - Audit of PROM Collection at 2 time points Pre and Post Therapy in the Chronic Fatigue (CFS/ME) Service	<p>Ensure that during the initial contracting and therapy termination phases with a patient that a clear expectation for the use and return of outcome measures is expressed, and that barriers to completion are identified, recorded and addressed.</p> <ul style="list-style-type: none"> <li>• To improve the documentation when a Medical Device Security (MDS2) is given/sent to the patient.</li> <li>• Reduce barriers to completion of service Patient Rated outcome measures (PR).</li> <li>• Investigate the rate of drop out from individual therapy with the team.</li> </ul>
0202(1) - Audit of Assessment and Treatment of Low Bone Density in Patients with Eating Disorders at the Yorkshire Centre for Eating Disorders (YCED)	<ul style="list-style-type: none"> <li>• Update the YCED medical review template to promote completion and recording of all risk factors.</li> <li>• To update the YCED discharge summary template to include more details about bone health and recommendations about future DEXA scan monitoring.</li> <li>• To include a section on bone health on the medical triage form for all patients accessing treatment at YCED.</li> <li>• To develop a local protocol outlining standards in relation to the assessment and treatment of low mineral density in patients with eating disorders receiving treatment at YCED.</li> <li>• To present audit findings at the YCED internal audit forum as part of the staff development training programme.</li> <li>• YCED to provide regular training on assessment and management of bone health in patients with eating disorders as part of the staff development training programme.</li> </ul>
0207(1) - Learning Disability Services Violence Audit	<ul style="list-style-type: none"> <li>• The multi-disciplinary team will consider individual cases with service users regarding advanced directive support where appropriate for use.</li> <li>• All service users will have a FACE risk assessment and plan in situ</li> <li>• DATIX completion identifying interventions and clinical needs and entry in PARIS progress notes will be maintained.</li> <li>• Sometimes there is a requirement for a second lead person. The control and restraint form to be amended to include this.</li> <li>• Vital sign monitoring occurs with significant incidents and seclusion. Medical condition to be monitoring using MEWS or team request medical examination.</li> <li>• Progress note entry to be put on PARIS re de-brief.</li> </ul>
0215(2) - Completion of Medicines Reconciliation on Admission	<ul style="list-style-type: none"> <li>• To improve awareness of the process across staff developing a new reconciliation training package within 6 months.</li> <li>• To provide refresher training for all staff on a yearly basis: to highlight the importance for staff to speak to a patient on admission and encourage staff to be open and honest about any section they might not understand.</li> </ul>
0217(1) - Audit of documentation of do not attempt cardiopulmonary resuscitation (DNACPR) at The Mount	<ul style="list-style-type: none"> <li>• Include whether the DNACPR form is present in a weekly review template on functional wards for all patients.</li> <li>• Include the DNACPR form completion/consideration in the weekly review on dementia wards for all patients.</li> <li>• Review of DNACPR when admitted to inpatient unit for all patients.</li> <li>• Fax DNACPR form to the Resuscitation Office in all cases.</li> </ul>
0218(1) - Audit of time to therapy from initial assessment for psychoanalytic psychotherapy	<ul style="list-style-type: none"> <li>• Improve recording information on the notes (especially cancellation of offered assessment appointment in routine practice, reasons for delay in offering therapy, general comments).</li> <li>• Improve engagement with service users regarding the assessment process in order to better inform the service offered to clients.</li> <li>• Improve time to therapy from assessment.</li> </ul>
0225(1) - Documentation amongst CBT Medical Psychotherapists at Southfield House	<ul style="list-style-type: none"> <li>• Raise awareness of best practise for new trainees.</li> <li>• Provide trainees with a Psychotherapy Crib Sheet and consultant to incorporate this information into the CBT course run for CT1s.</li> </ul>

Project No. (Cycle) and Title	What are we going to do?
0226(1) - Audit of Depot Cards in Community Forensic team (CFT), Leeds	Local recommendations for changes to the depot card were agreed and communicated to the Medicines Optimisation Group (MOG). The audit recommended a new depot medication prescription chart to be devised and printed according to recommendations.
0238(2) - Documentation of Pregnancy Testing and electrocardiograms (ECGs) in an acute adult psychiatry unit	<ul style="list-style-type: none"> <li>• Maintain and improve performance of ECGs and pregnancy tests in women's services.</li> <li>• To continue using the purposeful inpatient admissions (PIPA) system already in place in both wards; and</li> <li>• To ensure sustained improved performance and documentation:</li> <li>• To continue providing information during the initial induction when new doctors join the ward.</li> </ul>
0241(1) - Mental Health Act Detentions	<p>The Mental Health Legislation Team took action to address the issues as they were identified, and all those whose detention was considered challengeable were notified by letter, and those whose detention was fundamentally defective were discharged (if still detained). Based on the findings of, and issues highlighted by, the clinical audit it is planned to:</p> <ul style="list-style-type: none"> <li>• Ensure that clinicians, the Mental Health Legislation Team, and those required to provide reports, are fully aware of their duties and responsibilities</li> <li>• Ensure that appropriate training is available for all staff involved with MHA detentions</li> <li>• Establish routine monitoring of the primary mental health legislation file to ensure all documentation is present, and fully and correctly completed</li> <li>• Undertake an annual clinical audit of detentions as a priority project on the Trust's annual plan.</li> </ul>
0247(1) - Letters in the Deaf Child & Adolescent Mental Health Service (CAMHS)	<ul style="list-style-type: none"> <li>• Audit standards and findings were discussed with the local audit group and are to be revised to take out the three month plan and change the time scale expected for the end of assessment letter.</li> <li>• The audit standards and findings were discussed within a team away day and recirculated to the team with a template letter format for content alongside particular recommendations about copying to GP's.</li> </ul>
0248(1) - An audit to assess recommendations made by the old age liaison team regarding delirium management in inpatient older adults	<ul style="list-style-type: none"> <li>• To improve adherence to guidelines and facilitate a more holistic approach.</li> <li>• To improve overall documentation (even if there is an absence of findings or the non-applicability of issues).</li> </ul>
0249(1) - Audit of referrals to the Yorkshire Centre for Eating Disorders (YCED)	<ul style="list-style-type: none"> <li>• Develop a comprehensive referral form and consult with referrers</li> <li>• Standardise and clearly document YCED response to referrals</li> <li>• Define 'assessment' as detailed in the regional guidance</li> </ul>
0256(1) - Audit of clinical process for section 136 assessment and management	We aim to streamline paperwork, redesign the observation care plan and remove the guidelines related to alcohol detoxification etc. in order to make the process effective and well documented.
0261(1) - Documentation audit of admission clerking in the Becklin Centre	<ul style="list-style-type: none"> <li>• To improve and simplify documentation on admission.</li> <li>• To improve awareness among medical staff of the importance of recording full psychiatric history.</li> <li>• To standardise practice across inpatient services.</li> </ul>
0262(1) – Community Treatment Order (CTO) Recall Analysis - time taken between decision to recall and inpatient admission	Findings were shared with the Assertive Outreach Team and local Clinical Improvement Forum. The only action from this audit was to change the way that AOT document Recall Decisions and Recall Notice Delivery as this was often unclear when auditing.

Project No. (Cycle) and Title	What are we going to do?
0263(1) - Management of challenging behaviour in the Learning Disabilities service	<ul style="list-style-type: none"> <li>• Ensure documentation of indication and rationale for prescribing including off-label, polypharmacy or high dose.</li> <li>• Ensure documentation of multidisciplinary approach and psychosocial interventions by use of a prescribing care plan for every new patient.</li> <li>• Include capacity assessment on an annual basis in the care plan/letter.</li> <li>• Regular monitoring of treatment response through use of STOMPLD guidance discussion in clinic and documented in the care plan.</li> </ul>
0266(1) - Audit on consent documentation for patients at The Mount undergoing electroconvulsive therapy (ECT) for the treatment of depression	<ul style="list-style-type: none"> <li>• Revise the ECT assessment form to include a statement regarding the intended benefit of ECT to demonstrate that both risks and benefits have been considered by the clinician prior to ECT commencing.</li> <li>• Encourage the checking of which authority to perform ECT is being carried out under, prior to the procedure happening and for the teams to consider whether a stamp/sticker is used to highlight when the authority changes during treatment.</li> <li>• On the multi-disciplinary team form, note whether there is any outstanding paperwork missing to prevent ECT under S.62 without a second opinion appointed doctor T6 for longer than necessary.</li> </ul>
0267(1) - Documentation of contraceptive and Pregnancy information given to patients on antipsychotics	<ul style="list-style-type: none"> <li>• To improve awareness of the NICE guideline and importance of documenting information.</li> <li>• To improve information provided to the service user.</li> </ul>
0271(1) - Safety and Effectiveness of Clinical Interview Rooms	<p>Based on the findings of the audit the main recommendations are to:</p> <ul style="list-style-type: none"> <li>• Install medical equipment in all interview rooms</li> <li>• Appraise clinicians regarding pin pull alarm systems - senior colleagues to cascade to juniors as part of induction. These devices should be tested regularly.</li> <li>• Install alarms in all rooms or install suitable alternatives like personal pin pull alarms.</li> <li>• Ensure there is a lockable drawer/under desk cabinet in all rooms.</li> </ul>
0407(3) - Audit Toolkit for assessment of Eating Disorders Units in relation to the service standards arising from the David Britten investigation	<ul style="list-style-type: none"> <li>• To improve service user awareness of professional boundaries - the Yorkshire Centre for Eating Disorders (YCED) peer group will be reminded within the Community Group meeting that professional boundaries are included in the YCED inpatient booklet.</li> <li>• To improve service user awareness of the complaints procedure and raising concerns - there will be weekly Patient Advice and Liaison Service (PALS) visits to ward 6, which will be advertised by a laminated leaflet placed on the ward notice board.</li> <li>• To improve staff awareness of service users being informed about professional boundaries - this topic will now be included in the YCED staff induction sessions.</li> </ul>
0463(1) - Cardiac History Documentation in Memory Clinic	Audit to be presented at the Medicines Optimization Group meeting and findings will be shared with colleagues.

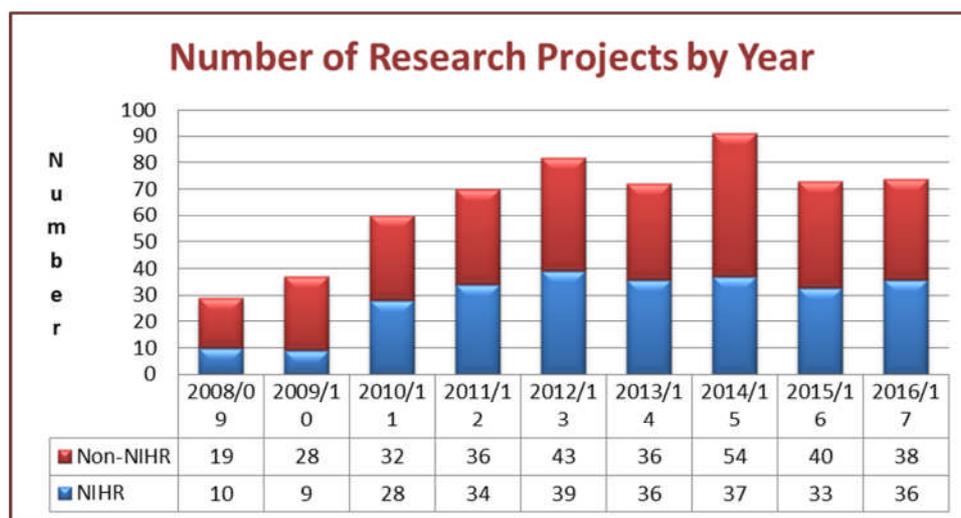
### 2.2.3 Participation in Clinical Research

The number of patients receiving relevant health services (provided or sub-contracted by the Trust in 2016/17) that were recruited during the period to participate in research approved by a research ethics committee: 1185.

Recruitment was made up of:

- 884 service users, carers and staff recruited to National Institute for Health Research (NIHR) Portfolio studies
- 204 service users, carers and staff recruited to non-NIHR studies i.e. local and student
- 97 staff recruited to Collaboration for Leadership in Applied Health Research & Care (CLAHRC) funded studies.

The Trust was involved in 74 research studies in mental health and learning disabilities in 2016/17. This demonstrates our commitment to improving the quality of care we offer and our contribution to wider health improvement.



### Research grants

£2,343,665 was awarded to the Trust in 2016/17 from the National Institute for Health Research funding programmes. This funding was granted for two trials:

- Alleviating Specific Phobias Experienced by Children Trial (ASPECT/Phobia): non-inferiority randomised controlled trial comparing the clinical and cost-effectiveness of one session treatment (OST) with multi-session cognitive behavioural therapy (CBT) in children with specific phobias
- (I-SOCIALISE) Investigating Social Competence and Isolation in children with Autism taking part in LEGO-based therapy clubs In School Environments.

### Publications

There were 25 publications in 2016/17 related to research activity in the Trust.

### Research Impact

Recovering Quality of Life (ReQoL) is a new outcome measure developed by researchers at the University of Sheffield, funded by the Department of Health. More than 200 service users and staff were recruited by the Trust's research and development team to take part in the development of the measure.

It had been recognised that existing measures were not suitable for users of mental health services. The aim of the research was to develop a brief measure with a focus on recovery and quality of life. In order to achieve this, the researchers worked collaboratively with service users and clinicians to produce a measure to capture issues that were important to them.

There are two versions of ReQoL: a short 10-item version (ReQoL-10) and a 20-item version (ReQoL-20) <http://www.reqol.org.uk/p/overview.html>.

The Trust is one of the first organisations to pilot its use and this is currently underway.

#### 2.2.4 Commissioning for Quality and Innovation (CQUIN)

A proportion of the Trust's income in 2016/17 was conditional on achieving quality improvement and innovation goals agreed between the Trust and any person or body they entered into a contract,

agreement or arrangement with for the provision of relevant health services, through the Commissioning for Quality and Innovation payment framework.

For the Trust, the monetary total for the planned amount of income in 2016/17 conditional upon achieving quality improvement and innovation goals was £2258k (Leeds Services), and £577k (Specialist Commissioning Group- performance against CQUIN targets resulted in a financial penalty of approximately £350k.

The CQUINs in which the trust failed to meet the required target were:

- National Flu Vaccine
- National Physical Health.

Further details of the agreed goals for 2016/17 and for the following 12 month period are available electronically at <https://www.england.nhs.uk/nhs-standard-contract/cquin/>.

### 2.2.5 Care Quality Commission (CQC)

The Trust is required to register with the Care Quality Commission. Its current status is fully registered with no conditions applied.

The Care Quality Commission has not taken enforcement action against the Trust during 2016/17.

The Trust did not participate in any special reviews or investigations by the Care Quality Commission during the reporting period.

The Trust was inspected between 11 and 15 July 2016 as part of the Care Quality Commission's comprehensive inspection programme. We submitted a comprehensive action plan to CQC in December 2016 and are actively working through this. The timeframe for completion is July 2017.

The Trust's overall rating has remained as 'requires improvement' following the comprehensive inspection which took place in July 2016. However the CQC recognised the hard work that had taken place to make a lot of improvements since the previous inspection in 2014 and this has been reflected in the core service reports and ratings.

The reports and ratings have been published on the CQC's website.

The inspection team looked at the Trust as a whole and its 13 core services. Inspectors assess services against five key questions, asking if services are safe, effective, caring, responsive and well-led. They then rate both NHS Trusts as a whole ('provider level') and their individual service areas to help people understand where care is outstanding, good, requires improvement or inadequate.

Are services safe?	Requires improvement
Are services effective?	Requires improvement
Are services caring?	Good
Are services responsive?	Good
Are services well led?	Requires improvement
<b>Overall Trust Rating</b>	<b>Requires improvement</b>

Core Service	Commissioner of service	Safe	Caring	Effective	Responsive	Well-led	Overall Rating
Community based services for older people	Leeds CCGs	Good	Good	Good	Good	Good	Good
Community Services for people with learning disabilities or autism	Leeds CCGs	Good	Good	Good	Good	Good	Good
Wards for people with learning disabilities or autism	Leeds CCGs	Requires improvement	Good	Requires improvement	Good	Requires improvement	Requires improvement
Acute Wards for Adults of working age and PICU	Leeds CCGs	Requires improvement	Good	Good	Good	Good	Good
MH Crisis Services and Health Based Place of	Leeds CCGs	Requires improvement	Good	Requires improvement	Good	Requires improvement	Requires improvement
Community Services for working age adults	Leeds CCGs	Good	Good	Good	Good	Good	Good
Long stay rehabilitation wards for working age	Leeds CCGs	Good	Good	Good	Good	Good	Good
National Deaf Child and Adolescent Mental Health Service (CAMHS)	NHS England	Good	Outstanding	Good	Outstanding	Outstanding	Outstanding
CAMHS inpatient ward	NHS England	Requires improvement	Good	Good	Good	Good	Good
Wards for older people with mental health	Leeds CCGs	Good	Good	Requires improvement	Good	Good	Good
Forensic Inpatient/Secure Wards	NHS England	Requires improvement	Good	Requires improvement	Good	Good	Requires improvement
Yorkshire Centre for Psychological Medicine	Leeds CCGs/case	Requires improvement	Good	Good	Good	Good	Good
Specialised Supported Living Service	Leeds City Council	Requires improvement	Good	Requires improvement	Good	Requires improvement	Requires improvement
<b>OVERALL TRUST RATING</b>		Requires improvement	Good	Requires improvement	Good	Requires improvement	Requires improvement

#### Key

	<b>Outstanding</b>
	<b>Good</b>
	<b>Requires improvement</b>
	<b>Inadequate</b>

#### What happened next?

The Trust attended a Quality Summit on Thursday 8 December 2016 with the CQC, commissioners and partners across the local health and social care sector.

The purpose of the Quality Summit was to develop a plan of action and recommendations based on the inspection team's findings as set out in the inspection reports. The plan was developed with support from partners within the local health economy and the local authority.

The Trust submitted its final action plan to the CQC in December 2016.

The Trust expects a follow-up inspection of the areas that are rated 'requires improvement' within the next 12 months. The CQC will also carry out an announced well-led review during the same period.

## 2.2.6 Information on the quality of data

The Trust submitted 2525 records during 2016/17 to the Secondary Uses Service for inclusion in the Hospital Episodes Statistics which are included in the latest published data.

The percentage of records in the published data

- which included the patient's valid NHS Number was:
  - 99.5% for admitted patient care
  - 99.9% for outpatient care
  - 97.6% for all service users as submitted in the Mental Health Learning Disability Dataset.
- which included the patient's valid General Medical Practice Code was:
  - 99.6% for admitted patient care
  - 99.1% for outpatient care
  - 97.31% for all patients as submitted in the Mental Health Learning Disability Dataset.

## 2.2.7 Information governance

The Trust's Information Governance Assessment Report overall score for 2016/17 was 78% and graded 'satisfactory' (green).

The Information Governance Toolkit is a Department of Health (DH) policy delivery vehicle that NHS Digital is commissioned to develop and maintain. It draws together the legal rules and central guidance set out by the DH policy and presents them in a single standard as a set of information governance requirements. The organisations in scope of this are required to carry out self-assessments of their compliance against the information governance requirements.

The self-assessment is validated by an annual internal audit programme, which corroborates the assurance provided by checking a selection of one third of the standards each year.

The Trust's final Information Governance Assessment Report against the NHS Digital IG Toolkit for 2016/17 was 78% and graded 'satisfactory' by virtue of achieving Level 2 on all applicable standards.

## 2.2.8 Payment by Results Clinical coding error rate

The Trust was subject to the Payment by Results clinical coding audit during the reporting period by the Audit Commission. The error rates reported in the latest published audit for that period for diagnoses and treatments coding (clinical coding) were:

- Primary Diagnosis = 98.0%
- Secondary Diagnosis = 93.9%
- Primary Procedures = 93.3%
- Secondary Procedures = 100%.

This gives the top rating of Level 3 for the Information Governance Toolkit.

The results should not be extrapolated further than the actual inpatient sample audited.

## 2.2.9 Data quality

The Trust has taken the following actions to further improve data quality during 2016/17.

The Trust has organised a Performance, Information and Data Group meeting on a monthly basis. This Group is attended by senior members of operational management, informatics and the performance management teams. The primary purpose of the group is listed below:

- That the reporting of performance information to the Trust board is well governed and that there are robust and auditable systems in place to manage the collection, reporting, validation and sign off of performance returns
- To monitor and develop standards for data quality ensuring that the 6 core principles of data quality identified by the audit commission are maximised
- That Care Services has effective clinical governance systems and that quality issues are brought to the attention of the Quality Committee
- That Care Services delivers on national and local performance standards
- That Care Services delivers cost improvement plans
- That Care Services directorate risks are identified and managed and that strategic risks are escalated.

The Care Services Strategic Management Group provided assurance to the Executive Team and Strategy Implementation Board, via its chair (Chief Operating Officer), that Care Services directorate business is being delivered.

The Group was established in June 2016 and has achieved the following objectives:

- Improving data quality assurance of all Trust data-sets and in particular the new MHSDS
- Strengthening clinical representation on the Data Quality Improvement Group
- Awareness raising of data quality issues at a senior operational level across the Trust
- Review of MH Activity and associated codes to meet the requirements of the new MHSDS
- Involvement from a data quality perspective in the implementation of PARIS and sustainability of the Electronic Patient Record System, Paris
- Ensured data quality assurance processes are effectively used in the Trust including compliance with IGT requirements
- Improved escalation of data quality issues to senior managers where necessary to ensure good practice is being operated in the Trust.

The Trust will be taking the following actions to improve data quality during 2017/8:

- Review of the current performance reporting processes within the Trust
- Continue to raise awareness across the Trust through refinement of the Performance, Information and Data Group
- To introduce a revised approach to analysis of data quality reporting and assistance to operational teams
- Improved governance processes to ensure there is robust scrutiny of the performance information and reliable assurance to the Board.

Continue escalation of data quality issues to senior managers where necessary to ensure good practice is being operated in the Trust.

## **2.3 ADDITIONAL MANDATORY QUALITY INDICATOR SETS 2016/17 QUALITY REPORT**

For 2016/17 all Trusts are required to report against a core set of indicators, for at least the last two reporting periods.

Table 2E - Additional quality indicators with our performance against each one

**Measure:** The percentage of service users on Care Programme Approach who were followed up within 7 days after discharge from psychiatric inpatient care during the reporting period.

We must achieve 95% follow up of all discharges under adult mental illness specialities on Care Programme Approach (CPA) (by direct contact telephone or face-to-face contact) within seven days of discharge from psychiatric inpatient care.

**Performance:**

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
LYPFT 2016/17 Performance	98.9%	95.6%	95.6%	94.85%
LYPFT 2016/17 Refreshed performance	96.15%	95.6%	96.3%	94.85%
LYPFT 2015/16 Performance	95.6%	95.8%	95.6%	98.0%
2016/17 National average	96.2%	96.8%	96.7%	96.7%
2016/17 Highest Trust performance	100%	100%	100%	100%
2016/17 Lowest Trust performance	28.6%	76.9%	73.3%	80.9%

The reported data for this indicator continues to be validated following submission to NHS England and therefore varies from that published.

**CPA:**

- Detailed descriptor: the percentage of patients on Care Programme Approach (CPA) who were followed up within 7 days after discharge from psychiatric inpatient care during the reporting period.
- Numerator = the number of people under adult mental illness specialities on CPA who were followed up (either by face to face contact or by phone discussion) within seven days of discharge from psychiatric inpatient care during the reporting period.
- Denominator = the total number of people under adult mental illness specialities on CPA who were discharged from psychiatric inpatient care.
- All patients discharged from psychiatric inpatient wards are regarded as being on CPA during the reporting period.
- Details of the indicator:
  - All patients discharged to their place of residence, care home, residential accommodation or to non-psychiatric care must be followed up within 7 days of discharge
  - Where a patient has been transferred to prison, contact should be made via the prison in-reach team
  - The 7 day period should be measured in days not hours and should start on the day after discharge.

Exemptions include:

- Patients who are readmitted within 7 days of discharge
- Patients who die within 7 days of discharge
- Patients where legal precedence has forced removal of the patient from the country
- Patients transferred to an NHS psychiatric inpatient ward
- All CAMHS (child and adolescent mental health service) patients.

The Trust considers that this data is as described for the following reasons:

- Performance is monitored three times a week to minimise the risk of any breaches and actions are put in place where necessary.

The Trust has taken the following actions to improve this percentage, and so the quality of its services, by continually monitoring as described above.

- Ⓐ This indicator has been independently verified by the external auditors and the denominator populations for the indicator are complete and include all the relevant patients from the Trust.

**Measure:** The percentage of admissions to acute wards for which the Crisis Resolution Home Treatment Team acted as a gate-keeper during the reporting period.

We must achieve 95% of adult hospital admissions to have been gate-kept by a Crisis Resolution Team. The indicator is expressed as proportion of inpatient admissions gate-kept by the Crisis Resolution Home Treatment teams in the year ended 31 March 2017:

- The indicator should be expressed as a percentage of all admissions to psychiatric inpatient wards
- Service users recalled on Community Treatment Order should be excluded from the indicator
- Service users transferred from another NHS hospital, or service users returning from a non-NHS provider where bed availability at the Trust was limited for psychiatric treatment should be excluded from the indicator
- Internal transfers of service users between wards in the Trust for psychiatry treatment should be excluded from the indicator
- Service users on leave under Section 17 of the Mental Health Act should be excluded from the indicator.

Planned admissions for psychiatric care from specialist units, such as eating disorder unit are excluded.

An admission should be reported as gate-kept by a Crisis Resolution Team where they have assessed\* the service user before admission and if the Crisis Resolution Team was involved\*\* in the decision-making process which resulted in an admission.

\* An assessment should be recorded if there is direct contact between a member of the team and the referred patient, irrespective of the setting, and an assessment made. The assessment may be made via a phone conversation or by any face-to-face contact with the patient.

\*\* Involvement is defined by the Trust as the outcomes of the assessment, performed either at the hospital or via telephone.

Where the admission is from out of the Trust area and where the patient was seen by the local crisis team (out of area) and only admitted to this Trust because they had no available beds in the local areas, the admission should only be recorded as gate-kept if the Crisis Resolution Team assure themselves that gate-keeping was carried out.

**Performance:**

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
<b>LYPFT 2016/17 Performance</b>	100%	100%	99.6%	100%
<b>LYPFT 2015/16 Performance</b>	99.4%	100%	100%	100%
<b>2016/17 National Average</b>	98.1%	98.4%	98.7%	98.8%
<b>2016/17 highest Trust performance</b>	100%	100%	100%	100%
<b>2016/17 Lowest Trust Performance</b>	28.6%	76.0%	88.3%	50%

The Trust considers that this data is as described for the following reasons:

- Performance is continually monitored to minimise the risk of any breaches and actions are put in place where necessary.

Leeds and York Partnership NHS Foundation Trust has taken the following actions to improve this percentage, and so the quality of its services, by continually monitoring as described above.

- Ⓐ This indicator has been independently verified by the external auditors and the denominator populations for the indicator are complete and include all the relevant patients from the Trust.

**Measure:** The percentage of service users aged:

- (i) 0 to 15
- (ii) 16 or over

re-admitted to a Trust hospital within 28 days of being discharged from a Trust hospital during the reporting period.

**Service Users 16 or over:**

These figures are based on Trust services with a 710 speciality code which includes adult mental health service users (excluding service users allocated to Forensic Services in line with national codes). Performance below is taken from internal information systems as data from the Health and Social Care Information Centre is not available.

Note: It has been acknowledged that an error was made in the drafting of the regulations and that the split of patients for this indicator should be:

- (i) 0 to 15
- (ii) 16 or over.

The regulations do refer to 28-day readmissions rather than 30.

**Performance:**

	LYPFT 2016/17 performance	LYPFT 2015/176 performance	2016/17 national average	2016/17 Highest Trust Performance	2016/17 lowest Trust performance
April 2016	10%	15%	<b>NOT AVAILABLE</b>		
May 2016	11%	10.2%			
June 2016	6%	9.3%			
July 2016	4%	12.3%			
August 2016	9.6%	6.3%			
September 2016	5.3%	12.6%			
October 2016	10.5%	14.6%			
November 2016	5.5%	7.1%			
December 2016	8.2%	6.8%			
January 2017	5.4%	8.4%			
February 2017	6.4%	10.2%			
March 2017	10.1%	13.8%			

The Trust considers that this data is as described for the following reasons:

- Each re-admission is flagged with the appropriate clinical teams and consultants to fully understand the cause of the re-admission and implement any necessary actions as required.

The Trust has taken the following actions to improve this percentage, and so the quality of its services, by continually monitoring as described above.

**Measure:** The Trust's 'patient experience of community mental health services' indicator score with regard to a patient's experience of contact with a health or social care worker during the reporting period.

**Performance:** The results from the 2016 National NHS Community Mental Health Service User Survey in response to a patient's experience of contact with a health or social care worker is as follows.

Results are based on a 'yes definitely' response.

	Did this person listen carefully to you?	Were you given enough time to discuss your condition and treatment?
2016 LYPFT	78%	68%
2016 National Average	70%	63%
2015	68%	61%
2014	77%	65%

332 completed surveys were returned to the Trust, which gives a response rate of 24%.

The Trust considers that this percentage is as described for the following reasons:

- Feedback from completed surveys are analysed and triangulated with our other feedback methods.

The Trust intends to take the following actions to improve these percentages, and therefore the quality of its services, by incorporating these into the quality improvement plans for the services. As well as increased monitoring through patient experience feedback including 'Your Views'.

**Source:** Survey obtained directly from Quality Health.

**Measure:** The number and, where available, rate of patient safety incidents that occurred within the Trust during the reporting period, and the number and percentage of such patient safety incidents that resulted in severe harm or death.

**Performance:** Figures below are taken from our internal information systems and reflect what is reported to NRLS. Data from the Health and Social Care Information Centre is not available.

	2015/16	2016/17
Severe Harm (Severity 3 and 4)	2.4%	2.6%
Death (Severity 5)	0.4%	0.4%

The Trust considers that this data is as described for the following reasons:

- Serious incidents are investigated using root cause analysis methodology, with reports presented to our incident review group
- Standardisation of risk management serious incident documentation with guidance notes to aid completion
- Risk Management produces a newsletter monthly where any identified learning/issues from the Trust Incident Review Group can be highlighted.

The Trust has taken the following actions to improve these numbers / percentages, and so the quality of its services, by continually monitoring as described above.

To ensure we consistently meet the duty of candour:

- The Trust ensures families and carers are made fully aware of the serious investigation process and are given the opportunity to raise any questions regarding the investigation
- The Trust has a procedure in place so that employees can raise concerns that they believe are in the public interest and have not been dealt with through the Trust's other internal processes
- The open reporting of incidents (including near misses and 'errors') is positively encouraged by the Trust, as an opportunity to learn and to improve safety, systems and services
- If a service user, their carer or others inform Trust staff that something untoward has happened, it is taken seriously and treated with compassion and understanding by all Trust staff from the outset.

Service users and / or their carers can reasonably expect to be fully informed of the issues surrounding any adverse incident, and its consequences. This will usually be offered as a face-to-face meeting and will be undertaken with sympathy, respect and consideration.

## PART 3 – REVIEW OF QUALITY PERFORMANCE 2015/16

### 3.1 PALS, COMPLAINTS AND COMPLEMENTS

We, as a Trust, want to work with anyone who has a complaint in a fair, open and honest way. If there are any issues found, we share the lessons learnt across the whole Trust.

#### 3.1.1 Patient Advice and Liaison Service (PALS)

In 2016/17, the Trust received 1,664 enquiries to our PALS team. This is a 26% increase from 2015/16. The significant increase can be attributed to the presence of PALS staff within inpatient units. This is to promote the service of the PALS team and to speak to those service users or their carers and relatives who may have any queries or concerns.

Our PALS team respond to each call on an individual basis; and record the reason for the contact and the outcome.

Consistently, the main reasons for contacting PALS are: general concerns with patient care, callers wanting telephone numbers for third party agencies, arranging meetings with ward staff, and general chats regarding their health.

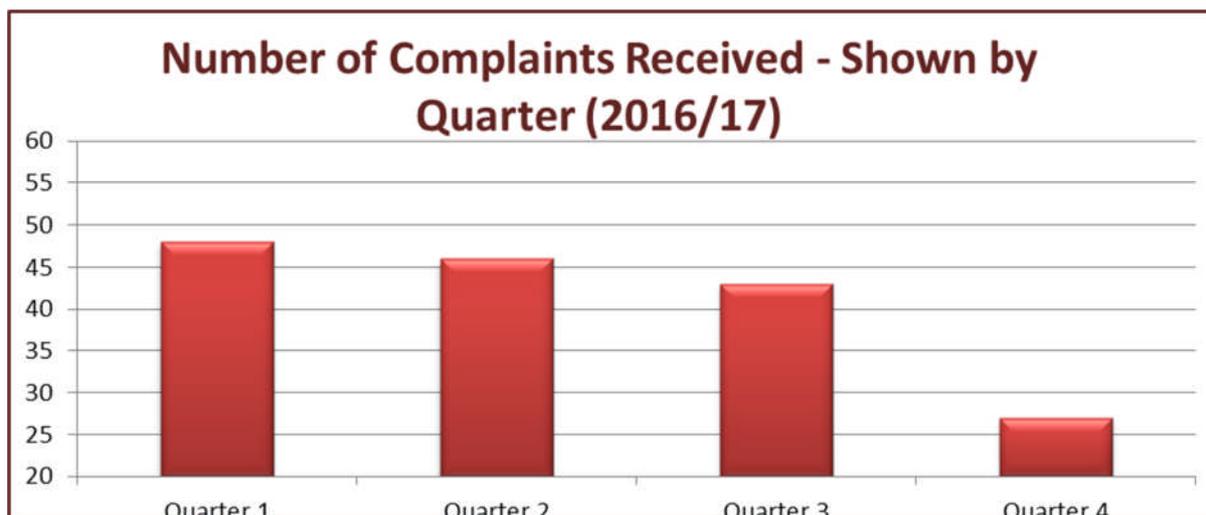
For a large majority of PALS contacts, the outcome is the provision of advice or information. A number are referred on to Trust services, other organisations' PALS services, external agencies or our complaints team.

The PALS team also includes student social workers and volunteers, working alongside directly employed staff members, to offer a rich and more visible advice and liaison service across the Trust.

#### 3.1.2 Complaints

In 2016/17, the Trust received 187 formal complaints from service users, relatives and advocates. This represents an overall decrease of 6.5% compared with 2015/16.

The decrease could be attributed to the presence of the PALS teams within inpatient units. The PALS team visit each inpatient unit on a weekly business. Feedback received highlights that service users, carers, relatives and staff feel this is of benefit as it allows more people to access the support of PALS in person.



Complaints are seen a valuable source of feedback which can be used to inform service improvements, enabling us to provide high quality services for our patients and carers.

Complaints Management training has now been in place since May 2015 and over 150 members of staff have been trained in the handling of complaints. Feedback from the training has highlighted a need for additional customer service training for front-line support staff (bands 2 and 3). As a result, a 'customer services' training package has been developed. A total of nine training sessions have been held with a further 10 scheduled for 2017. The training is particularly aimed at front-line support staff as they represent the face of the Trust, are the ones whom visitors/callers speak to first and the people staff go to first for information. Sometimes they are the only point of contact. Having a polite and friendly person to greet them is the perfect way to client satisfaction and to showcase our professionalism. Good front-line staff create an environment where courtesy, helpfulness and a warm welcome are standard.

The training course has been designed to highlight the significant difference that strong customer service skills can make to the service user experience of our Trust.

### 3.1.3 Compliments

Staff often receive compliments by letter or card, verbally or via a gift. They are thanked for treatment, care and support, or complimented on the environment, atmosphere, and cleanliness of the ward. During 2016/17 the functionality within DATIXWeb to formally record all of our compliments was developed. Staff are able to report all compliments received (either written or verbally) as well as being able to attach any cards/letters.

Compliments are a key measure of patient experience and we would therefore like to be in a position to consider compliments alongside complaints, aiming to create a stronger patient focus and further develop a culture that learns from feedback.

During 2016/17, the Trust received 391 formally recorded compliments.

## 3.2 SERIOUS INCIDENTS

During 2016/17, 61 serious incidents requiring investigation were reported by the Trust, the types of incidents are seen in Figure 1. This year saw an increase in the numbers of reported serious incidents: 50 were report in 2015/2016, 44 were reported in 2014/15, 27 were reported in 2013/14 and 28 were reported in 2012/13. The most frequently reported serious incidents requiring a full comprehensive investigation are suspected suicide, unexpected death and incidents of self-harm.

The Trust reported one incident of Department of Health defined 'never event' during 2016/17, however following investigation this was de-logged as a never event and classified as a serious

incident. Never events are serious, largely preventable patient safety incidents that should not occur if the available preventative measures have been implemented.

Figure 1 - Type of serious incidents reported

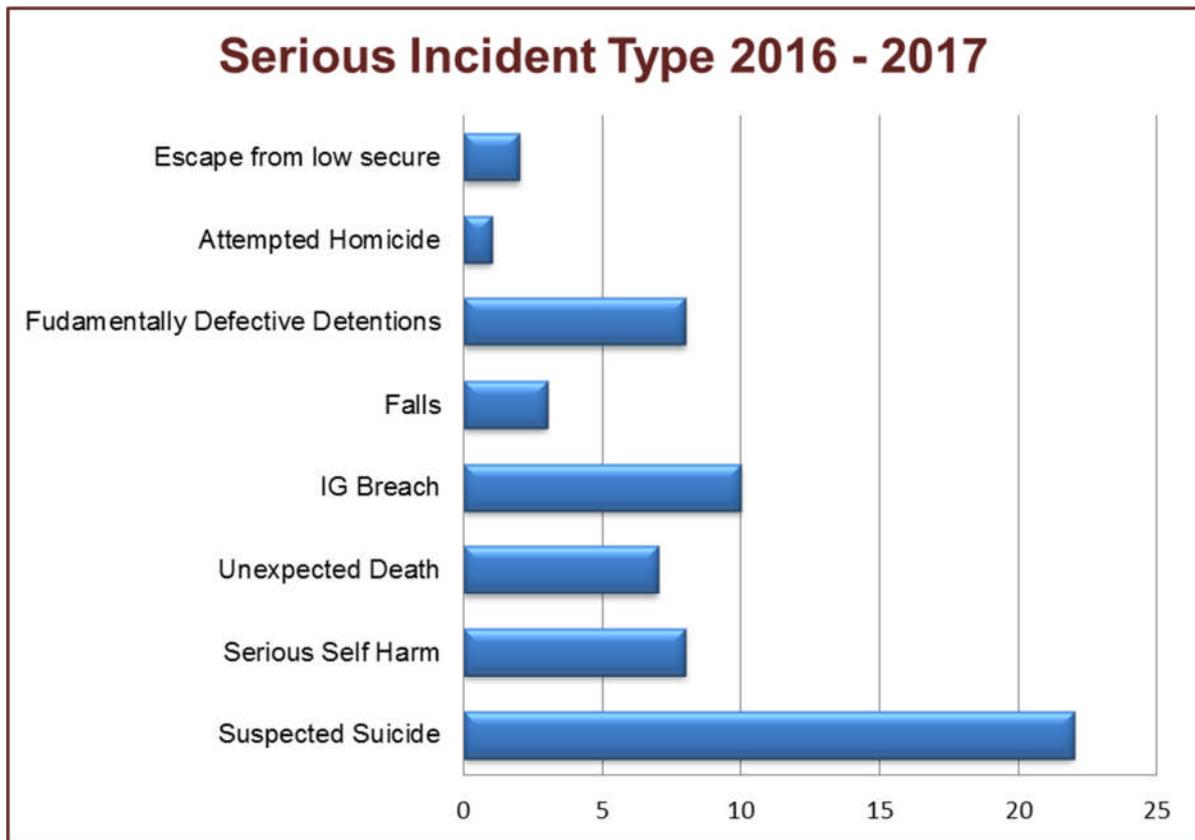
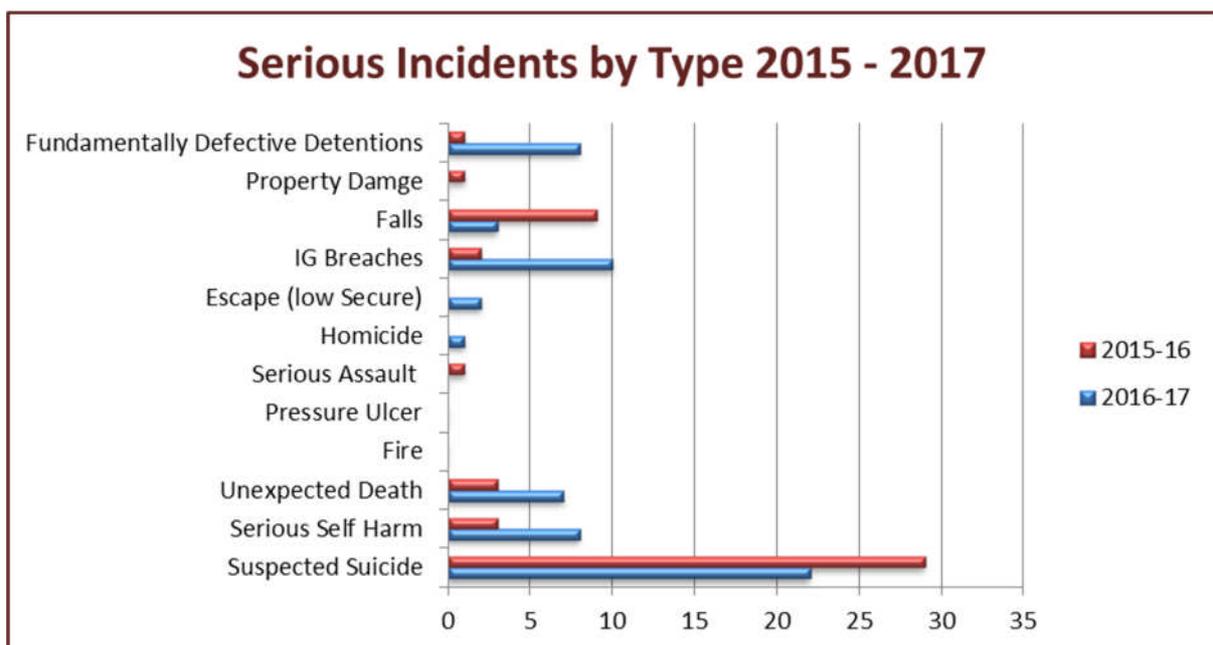


Figure 2 - Six-year comparison of reported serious incidents



### 3.2.1 Learning lessons

The task of the Trust Incident Review Group is to ensure that serious incidents are robustly reviewed and that learning is captured and shared throughout the organisation to inform and develop future practice that is both safe and effective. Members of the Trust Incident Review Group, as leaders in the organisation, are expected to demonstrate the following behaviours, which are recognised as being likely to reduce risk and make healthcare safer:

- The concept of a fair blame culture
- Constantly and consistently assert the primacy of safely meeting service users' and carers' needs
- Expect and insist upon transparency, welcoming warnings of problems
- Recognise that the most valuable information is about risks and things that have gone wrong
- Hear the service user voice at every level, even when that voice is a whisper
- Seek out and listen to colleagues and staff
- Expect and achieve co-operation, without exception
- Give help to learn, master and apply modern improvement methods
- Use data accurately, even where uncomfortable, to support healthcare and continual improvement
- Lead by example, through commitment, encouragement, compassion and a learning approach
- Maintain a clear, mature and open dialogue about risk
- Infuse pride and joy in work
- Help develop the leadership pipeline by providing support and work experiences to enable others to improve their own leadership capacity
- Recognise that some problems require technical action but that others are complex and may require many innovative solutions involving all who have a stake in the problem.

### 3.2.2 Top themes

Learning from experience is critical to the delivery of safe and effective services in the NHS. Though it should be noted that lessons learnt following root cause analysis (RCA) reviews are rarely found to have a direct causal link to the incident, it is essential that we take all opportunities to improve the care we provide to service users and their families. Therefore to avoid repeating mistakes we need to recognise and learn from them, to ensure that the lessons are communicated and shared, and that plans for improving safety are formulated and acted upon. The findings and learning from any adverse event within the Trust may have relevance and valuable learning for the local team and also other teams and services.

### 3.2.3 HM Coroner inquests

During 2016/17 (as of 21/02/2017), 35 Coroner inquests were held (please note this is the date the inquest was held and not related to the date of the incident). Below is a summary of the conclusions:

Inquests held	<b>35</b>
Conclusions for inquests held:	
Accidental	4
Drug Related	3
Misadventure	1
Narrative	4
Natural Causes	4
Open	3
Suicide	16

## **One regulation 28 report was issued to the Trust in Oct 2016 by the Coroner.**

This regulation applies where a coroner is under a duty under paragraph 7(1) of Schedule 5 to make a report to prevent other deaths.

At an inquest held on the 18/10/2016, the Coroner made two requests in respect of Prevention of Future Deaths:

1. Whenever a MDT meeting takes place for it to be documented and those present and participating in the meeting to be identified, and the discussions and outcome recorded.
2. In respect of all telephone calls to Aire Court from a service user they should record the nature of the call, the urgency and the action taken, and the name of the individual involved in the call.

The Trust responded to these as directed by the Coroner. The Trust is aware of 30 inquests pending.

### **3.3 SERVICE USER NETWORKS**

Service User Network (SUN) gives a voice to our service users and their carers. SUN encourages people to express their views, share their experiences and explore what works well in our Trust and what areas may need improvement. Being part of the network means people feel they are being valued and get actively involved with their own care and treatment. Members of staff with lived experience are also welcome to attend.

The SUN members include people who currently access or have accessed our services within the past 12 months. We also promote SUN to local community groups as well as third sector organisations such as Touchstone, Leeds Mind, and Community Links. We encourage people with a diverse range of knowledge and life experiences to attend to ensure their voices are heard.

Our Service User Network (SUN) is a monthly event for service users and carers to discuss and share ideas, with guest speakers at the request of members. The group works closely with the Trust in order to help improve the services it provides and we are consulted on trust policies and procedures. There is a very welcoming and friendly atmosphere.

Bev Thornton and Anne Perry (Recovery and Social Inclusion workers) organise and deliver the SUN, both have chaired the SUN meetings and have lived experience of accessing mental health services. SUN encourages people to tell their own stories. This is a positive experience for everyone and helps to unite the group. Members have the chance to be involved in key areas of the Trust such as taking part in interview panels and test ward rounds, prior to inspections.

SUN members can bring their ideas or concerns about any Trust services and they will be raised at Trust governance meetings for comment and action. SUN ensures that a member's recommendations are valued and acted upon, and also give regular feedback to SUN members. This ensures that issues are quickly and directly addressed. SUN can help service users play a more active role in their own recovery and wellbeing.

People are also invited to participate in community involvement events each month. SUN helps empower and inspire people by giving them hope and insight, which contributes to their continued personal recovery and wellbeing.

The SUN meets on the first Wednesday of every month for two hours and usually has two to three guest speakers in attendance. The following is list of some of the speakers who have attended the SUN and the topics they discussed.

External speakers included:

- Karen Pearce from the Discovery College who spoke about the aims of the college and how all courses were co-produced and co-written by service users. The course for spring 2017 included song writing, sports coaching, electronic music and drama production.

- Leeds Involving People (LIP) updated the SUN about their anti-stigma campaigns and the perinatal project.

Internal Speakers included:

- Alan and Conal, clinical leads from the Crisis Assessment Service, give an overview of the Section 136 suite and street triage in conjunction with the police.
- Matthew Osbourne, from the Healthy Living Service, explained what the service did and updated the group on the different events they run. These included a walking and photography group and support and advice on diet and smoking cessation.
- Mark Gallacher, Head of Performance and Quality, spoke about the quality strategy and asked for feedback. He also spoke about the CQC visit and the steps that the Trust has put in place to ensure that any actions will be monitored and completed as per the correct governance.

Direct outcomes from the SUN:

- Choice of care worker guidelines, which were initiated by SUN members, were ratified and implemented.
- SUN key messages were verified, with the new Chief Executive adding a phrase of endorsement.
- Have your Say Day was a SUN event that turned out to be a fun day with a fantastic attendance of 95 people. The day proved fruitful in capturing a significant amount of feedback on learning disability services.
- Values-based interviewing: SUN members have worked very closely with the involvement lead and recruitment team to establish regular service user and carer assessment within staff recruitment. Members regularly sit alongside staff on interview panels and are now receiving disbursements of £20 per day as well as travel expenses for taking part.
- Multi Agency Clinical Risk Training: Three SUN members got involved in the two day training course as well as successfully completing the Applied Suicide Intervention Skills Training certificate. They were runners up in the Staff Awards for their contribution.
- Members became involved in MINDWELL workshops, MIND Discovery College steering group, research projects and complaints review group. As well as recruitment and selection and older people's services redesign consultation.

SUN members have over the last twelve months contributed and influence the following items for the Trust:

- No smoking policy
- Care Plan Approach
- Quality report
- Strategy report
- Request for people's experience of services
- Psychology strategy
- Security on wards/sites
- Students Placement Charter
- 'Your Views' meetings on the wards and how to best capture current service users' views
- Website redesign.

SUN has also worked alongside community agencies and organisations that request our member's involvement in specific projects:

- Mindwell - one stop website for mental health
- Leeds Discovery College
- West Yorkshire Police on handling service users in crisis
- HMA digital marketing on new Trust Website
- Apira - the Trust's Clinical Recording System.

SUN members have also welcomed the following third sector and voluntary organisations to their meetings to advertise the wide range of services and groups in the Leeds community. SUN also

promotes co-working, co-production and the sharing of experiences by our members to improve mental health organisation links within the community.

- Community Links
- Leeds Involving People
- FoodWorks
- Advonet
- SPACE
- MIND
- Leeds Survivor Led Crisis Service
- mHabitat
- Touchstone

### **3.4 SUNRAYS**

A new group designed to bring together people with lived experience to help improve local mental health and learning disability services was officially launched in February.

'SUNRAYS' is an offshoot of the Trust's Service User Network (SUN) group. As well as providing a forum for people to use their personal experiences to help improve services, SUNRAYS will encourage people to maintain their wellbeing whilst living in the community. There will be a focus on self-support and the groups, activities and information-sharing opportunities that exist in the local area.

Recovery and Social Inclusion worker and Chair of SUNRAY said: "SUNRAYS is open to anyone who has lived experience of accessing mental health services within the community; you could have accessed services yourself or have cared for someone who has. It is all about working in partnership and putting your personal experience to practical use. There will be a guest speaker every month to give information or updates on the topics suggested by the group, and people who attend will be able to access advice and support on the issues that matter to them. SUNRAYS is all about co-production, and there are opportunities for people to get actively involved by suggesting topics for discussion, or even chairing or co-chairing a group. There is also a real social element to the group."

This is a really exciting development for the Service User Network, and shows just how much the Trust values the service user voice.

SUNRAY meetings in the West locality started in February 2017 and the first SUNRAY meeting for East Leeds is due to start in May 2017.

### **3.5 PLACE ASSESSMENT RESULTS**

PLACE inspections occurred across the Trust's estate between March and May 2016. This year, there were a total of 10 service user representatives involved in the inspection process which added a varied and well balanced perspective to our inspection teams. Generally, these representatives had a very fair approach to their tasks, which at times were quite challenging to the service and building standards. Overall, this has provided us with a better service user focus for our buildings, which is how the PLACE inspections should work.

HSCIC have again altered the inspection process this year, with additional criteria questions and less scope to provide ambiguous answers. As a result of these changes and the way in which the data is presented, the 2016 national and regional average scores have varied to those of 2015. Whilst the variances in these figures are small, it is worth noting that nationally cleaning, catering and environment targets are higher than the previous year.

HSCIC have produced an excellent report which compares key percentages across all of the place results.

### 3.5.1 National results 2016

The table below uses extracts from this report to make comparisons of the Trust performance in three ways:

- LYPFT against national averages
- LYPFT against regional commissioning areas
- LYPFT against mental health organisations.

A summary of these comparisons is provided below. Amber indicates below average and green indicates above average scores (with the average national figures being shown in purple).

Category (with 2015 national averages shown)	NATIONAL AVERAGE SCORE	REGIONAL AVERAGE SCORE	MENTAL HEALTH SITE TYPE COMPARISON	ORGANISATIONAL AVERAGE ( EXTRACTED FROM HSCIC PLACE REPORT 2016 )
Cleanliness (97.31%)	98.06%	98.54%	98.20%	98.20%
	0.14%	-0.34%	0.00%	
Food (85.51%)	88.24%	90.84%	88.61%	91.28%
	3.04%	0.44%	2.67%	
Privacy & Dignity (91.20%)	84.16%	88.43%	88.43%	92.42%
	8.26%	3.99%	3.99%	
Environment (92.94%)	93.37%	94.48%	93.60%	96.48%
	3.11%	2.00%	2.88%	
Dementia (83.25%)	75.28%	76.28%	77.72%	99.18%
	23.90%	22.90%	21.46%	
Disability	78.84%	83.16%	80.30%	85.19%
	6.35%	2.03%	4.89%	

Key points to note when using the national comparators are:

- LYPFT are above average in six categories, including those whose national figures have increased
- LYPFT, when compared with other mental health peer groups, repeat this pattern across all categories
- LYPFT is 0.34% below the regional average on cleanliness.

Using this three-way comparison gives us the opportunity to focus on how we will be viewed by the various stake holders and, more importantly, can be used to focus on key areas of improvement.

There are two main areas, cleanliness and food, which require attention to improve our position across the PLACE scores.

Cleanliness requires minor improvement, but a focused attention is required at the Becklin centre.

Food service needs some attention across most of our estate. It is felt that on the whole the Trust's menu provision, meal choice and selection service, delivery and presentation are due for a review to reflect changes across the NHS.

Each site has a specific action plan, which has now been issued to service delivery managers and site managers.

Table 3A – PLACE scores

Site	% cleanliness		% food and hydration		% privacy, dignity and wellbeing		% condition, appearance and maintenance	
	2015	2016	2015	2016	2015	2016	2015	2016
Parkside Lodge	98.02%	N/A	85.88%	N/A	84.35%	N/A	93.33%	N/A
The Mount	100%	96.83%	87.65%	90.54%	94.47%	94.05%	99.72%	98.56%
1-5 Woodland Square	99.22%	99.62%	91.95%	94.23%	87.17%	89.73%	92.42%	95.03%
Newsam Centre	99.10%	97.84%	87.55%	93.35%	95.23%	92.13%	95.92%	95.49%
Asket House	96.69%	99.40%	N/A	N/A	94.85%	89.86%	93.38%	97.54%
Liaison Psychiatry Inpatient Unit (YCPM)	99.33%	100%	96.17%	95.82%	86.81%	86.33%	87.80%	90.00%
Becklin Centre	91.56%	98.59%	85.82%	89.62%	93.40%	93.49%	91.72%	95.57%
Clifton House	95.94%	99.61%	73.78%	91.42%	88.62%	92.64%	91.67%	97.42%
Mill Lodge Unit	99.31%	98.84%	88.34%	84.14%	78.13%	87.38%	80.99%	95.70%
Asket Croft	97.10%	98.60%	84.50%	92.92%	91.07%	90.77%	94.25%	97.54%
LYPFT Average	97.64%	98.20%	79.16%	91.28%	90.41%	92.41%	92.12%	96.48%
National Average	97.57%	98.06%	88.49%	88.24%	86.03%	84.16%	90.11%	93.37%

PLACE is the annual inspection of inpatient units with 10 beds or above covering cleanliness, food, privacy, dignity and wellbeing, condition, appearance and maintenance, dementia and disability. The scores for each section are assessed and the results are returned from the Health and Social Care Information Centre. Every Trust is therefore benchmarked and a scored performance obtained. Parkside Lodge was not assessed this year as the unit has fewer than 10 beds.

Each site has a specific action plan, which has now been issued to service delivery managers and site managers

### 3.6 MEASURES FOR SUCCESS

As part of NHSI's requirement, the Trust must obtain assurance through substantive sample testing over one local indicator included within this Quality Report, as selected by the Council of Governors. The indicator chosen was: clinical outcomes have been improved for people who use our services (source: HoNOS assessment).

The Trust measures are set out under each priority as follows:

### 3.6.1 Priority 1 (clinical effectiveness): People achieve their agreed goals for improving health and improving lives

#### Performance of Trust against selected measures

**Measure:** People report that the services they receive definitely help them to achieve their goals

**Performance:** In the National Service User community survey the wording has changed slightly to read 'Do the people you see through NHS mental health services help you with what is important to you?'

83% responded positively which is an increase from last year.

(Source: National Service User Community Survey)

**Measure:** Clinical outcomes have been improved for people who use our services (CROMs)

**Performance:** During 2016/17 we are testing a new Clinician Rated Outcome Measure (CROM) called the Clinical Global Impression Scale (CGI) with a view to using this as the Trust-wide generic CROM. We continue to currently report HoNOS and the percentage completed is 65.98 %.

(Source: Strategy Measure)

**Measure:** Clinical outcomes have been improved for people who use our services

**Performance:** During 2016/17 we are testing two Patient Reported Outcome Measures (PROMs). A previous piece of work around the use of PROMs in dementia services found that there is a need for a dementia-specific PROM; the Trust is therefore testing a tool called Dementia Quality of Life (DemQoL). In addition to this, a new recovery focused PROM called Recovering Quality of Life (ReQoL) is being tested in a number of services with a view to using this tool as the Trust-wide generic PROM.

The PROMs offered baseline was established at 7% and a PROMs Implementation Strategy led by the Clinical Outcomes Lead is ongoing. (This is % of PROMs offered and % of PROMs felt not clinically appropriate to offer). At the end of quarter 3 this completion rate had risen to 15.6%. This work will continue through 2016/17 in order to improve completion / offer of outcome measures and to identify where clinical outcomes have improved.

(Source: Strategy Measure)

### 3.6.2 Priority 2 (patient safety): People experience safe care

Table 3D - Performance of Trust against selected measures

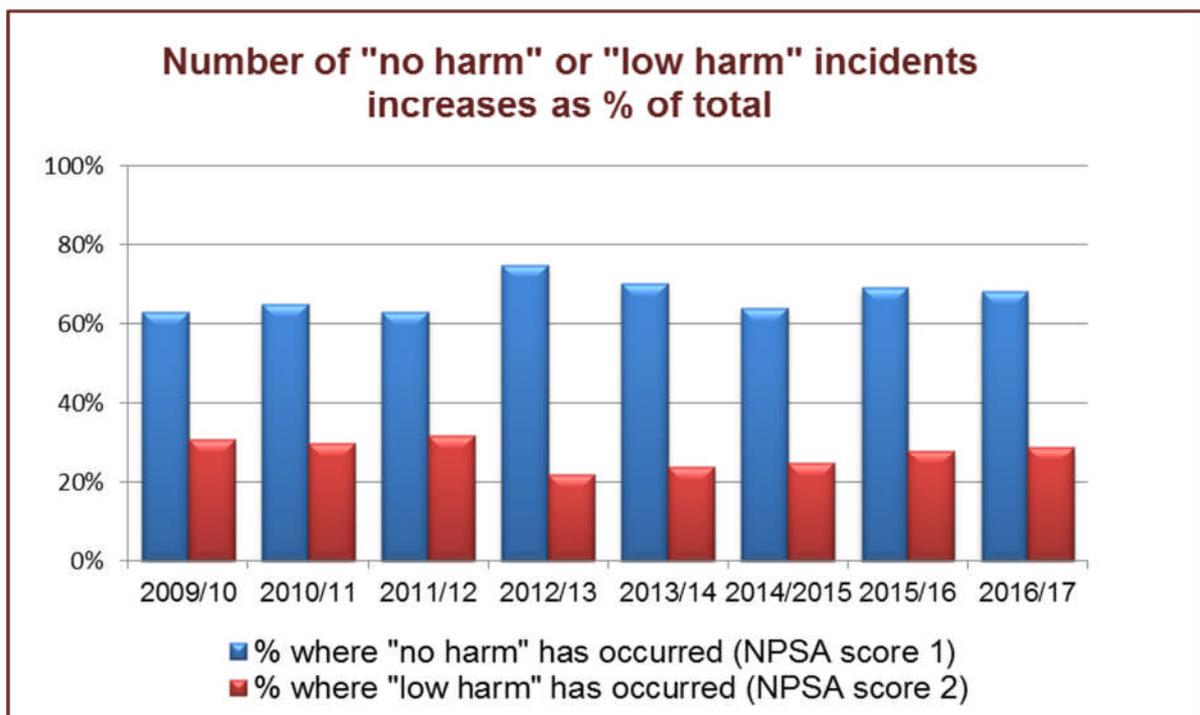
**Measure:** People who use our services report that they experienced safe care

**Performance:** 81% of those who responded to the NSUS inpatient survey declared that they felt safe always or sometimes during their stay in hospital.

(Source: Strategy measure / National Mental Health Inpatient Service User Survey)

**Measure:** Number of 'no harm' or 'low harm' incidents increases as % of total:

- % where 'no harm' has occurred (National Patient Safety Agency score 1)
- % where 'low harm' has occurred (National Patient Safety Agency score 2).

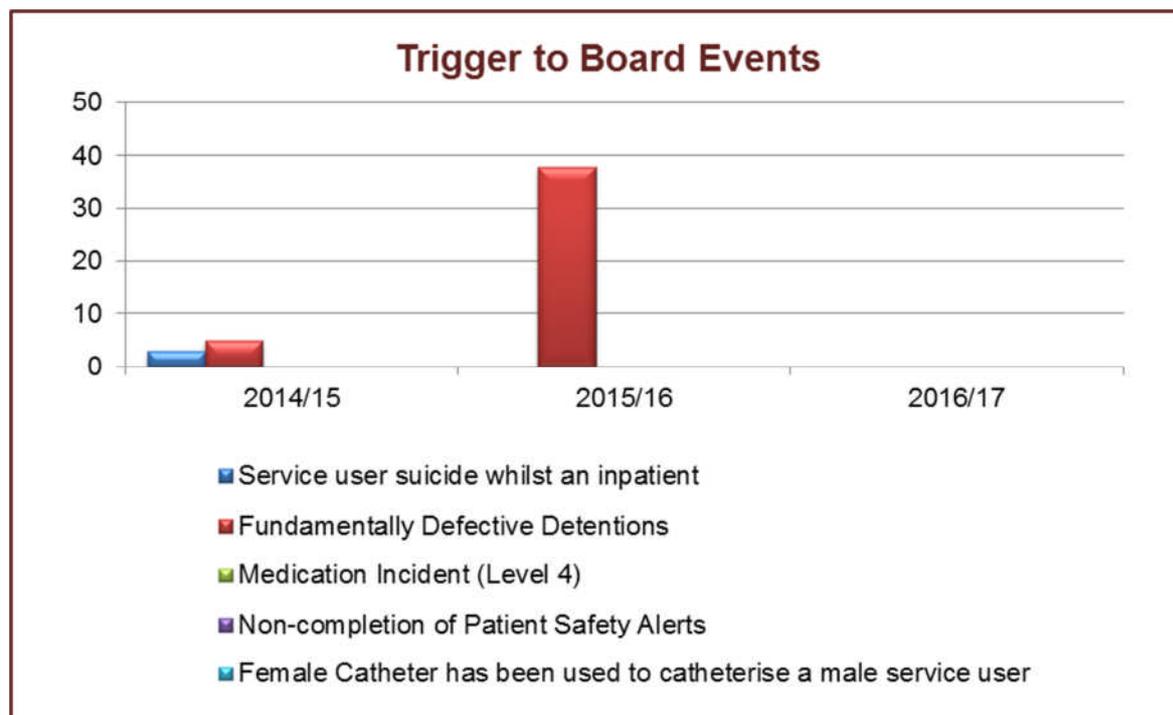


(All service user incidents – inpatient and community)

**Performance:** We have a high level of reporting and a low degree of harm when incidents occur. An organisation with a high rate of reporting indicates a mature safety culture. This maturity enhances openness and provides a truer reflection of current practice that allows for more robust action planning.

(Source: Strategy measure)

**Measure:** Number of Trigger to Board events



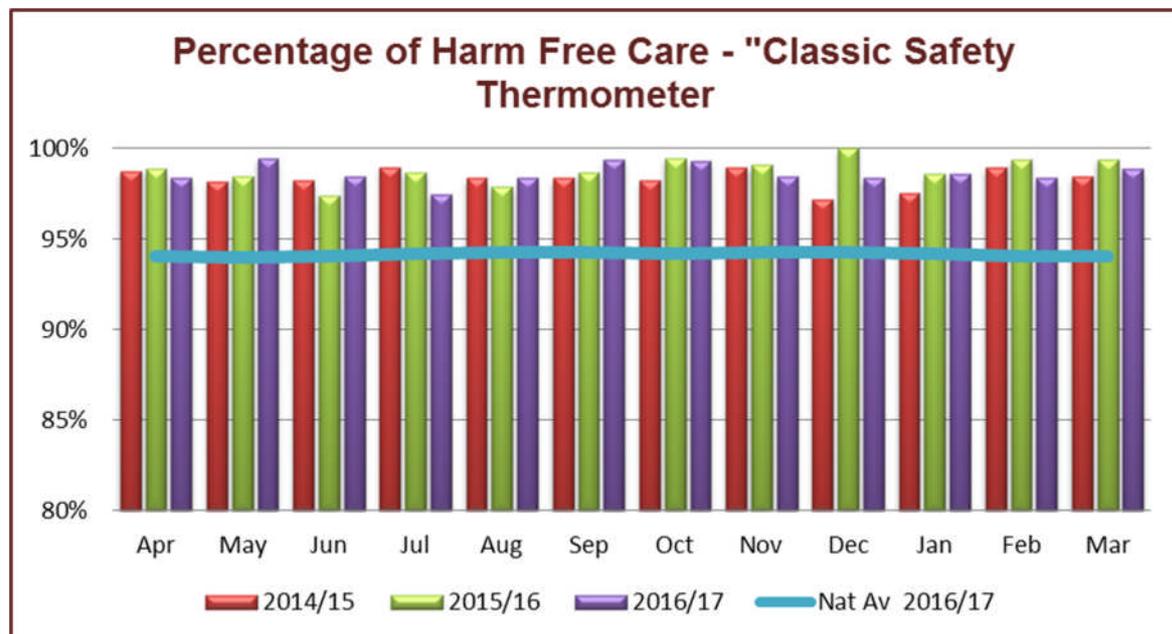
**Performance:** The Trust maintains a high level of reporting where no harm has occurred. This demonstrates a mature, proactive and open patient safety culture.

(Medication incident level 4 relates to those incidents where medication has been prescribed, dispensed and administered and harm has been caused.)

Following a trust-wide audit of all inpatient detentions under the Mental Health Act (1983) a number of issues were found. Legal advice was sought from the Trust's solicitors and in total there were 36 cases where the detentions were felt to be fundamentally defective. The legal advice was to discharge these patients from their current detention. Individual incident reports have been completed for each service user.

(Source: Strategy measure)

**Measure:** NHS Safety Thermometer: improve the collection of data in relation to pressure ulcers, falls, urinary tract infection in those with a catheter and venous thromboembolism (VTE)



**Performance:** The data highlights the number of service users recorded as having 'no harm'.

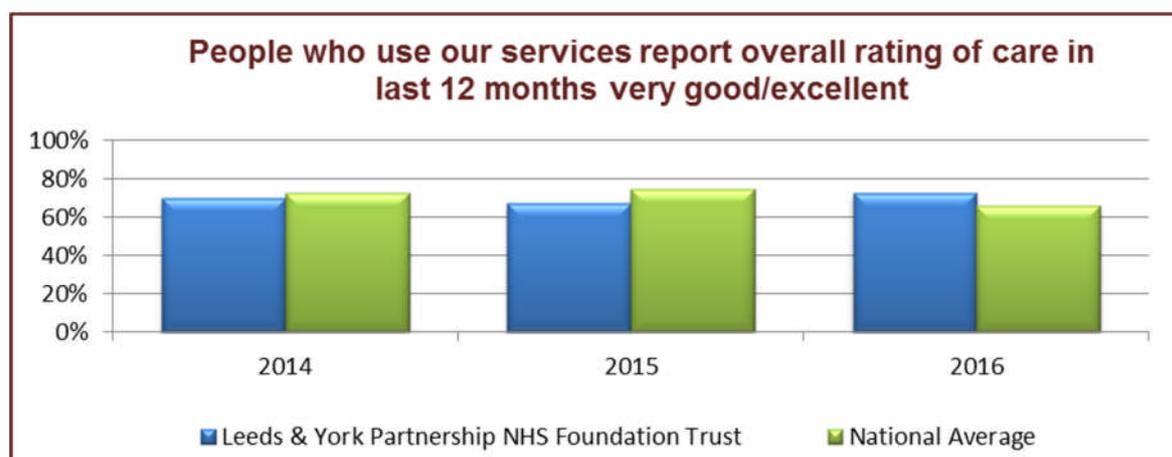
(Source: NHS Digital)

### 3.6.3 Priority 3 (patient experience): People have a positive experience of their care and support

Table 3E - Performance of Trust against selected measures

**Measure:** People who use our services report overall rating of care in the last 12 months as very good/excellent.

**Performance:**



332 service users responded to the 2016 National Community Service User Survey and we are in the top 20 trusts for this indicator.

(**Source:** Strategy measure from the Mental Health Community Service User Survey)

**Measure:** People who use our services report definitely being treated with respect and dignity by staff providing care.

**Performance:** This question is now included the NSUS community survey. The results showed that 93% of the people responding to the survey said they were always or sometimes 'treated with dignity and respect'. 74% of our service users said 'always' and 19% said 'sometimes'.

(**Source:** Strategy measure from the Mental Health Community Service User Survey)

**Measure:** Carers report that they are recognised, identified and valued for their caring role and treated with dignity and respect.

**Performance:** The Triangle of Care is a national framework, developed by carers and NHS staff, to improve carer engagement in mental health services. It brings carers, service users and professionals together to promote safety, support recovery and sustain wellbeing.

The three-way partnership approach has made such a positive impact in forensics that many of the growing network of 'carer champions' have gone on to train in Behavioural Family Therapy. The network meet regularly to share experiences and knowledge, and each one of them has heard personal stories filled with hope, frustration, gratitude, bewilderment, weariness and laughter.

(**Source:** Strategy measure)

### 3.7 NHS IMPROVEMENT TARGETS

The table below shows our performance against NHSI targets. Progress against each of NHSI targets is presented within our monthly Integrated Quality and Performance report to the Executive Team and quarterly to the Trust's Board of Directors and Council of Governors.

**Table 3F – Performance against NHSI targets**

**Measure:** Care Programme Approach (CPA) service users having formal review within 12 months: we must ensure that at least 95% of adult mental health service users on Care Programme Approach (CPA) have had a formal review of their care within the last 12 months.

**Performance:** We have maintained a position of compliance throughout 2016/17:

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
<b>LYPFT 2016/17 Performance</b>	97.3%	96.1%	97.1%	95.4%
<b>LYPFT 2015/16 Performance</b>	95.4%	95%	97.6%	97.2%
<b>2016/17 National Average</b>	Not available			
<b>2016/17 highest Trust performance</b>	Not available			
<b>2016/17 Lowest Trust Performance</b>	Not available			

The Trust considers that this data is as described for the following reasons:

- Performance is continually monitored to minimise the risk of any breaches and actions are put in place where necessary.

The Trust has taken the following actions to improve this percentage, and so the quality of its services, by continually monitoring as described above.

### **3.8 IMPROVING THE QUALITY OF LEEDS AND YORK PARTNERSHIP NHS FOUNDATION TRUST'S SERVICE IN 2016/17**

Below is a selection of the work that some of the Trust services have undertaken over the past year to improve the quality of the service they provide. The achievements for 2016/17 have been taken from our 'Imagine' publication.

#### **We are now Smoke-free - April 2016 (Summer Edition)**

On 4 April our Trust became smoke-free, meaning staff, service users and visitors can no longer smoke in any of our buildings, grounds, vehicles or car parks.

It has taken a huge amount of commitment and work from many people to get to this significant milestone, so a huge thank you to all for your continued support.

We are proud to join other mental health trusts, including South London and Maudsley NHS Trust and Cheshire and Wirral Partnership NHS Foundation Trust, in becoming smoke free, as recommended by NICE guidance.

The smoke-free project team will continue to visit sites across the Trust to hear from staff and service users and give advice to anyone wanting to stop smoking. They are also offering tangle toy hand puzzles, which can be used as a distraction aid for people who are trying to quit or cut down.

### **The Trust's Arts and Minds Network is in the running for a national award following last year's hugely successful Love Arts Festival (Spring Edition)**

The annual event, which started in 2011, is the first of its kind to be organised by an NHS trust in England. It supports service users to engage in the arts to promote their participation and inclusion in the cultural life of Leeds, while encouraging conversations about mental health to help reduce the stigma that many people experience. In October 2015, 87 service users were involved in creating 22 exhibitions in an arts trail throughout Leeds. It is estimated that more than 154,600 members of the public engaged with the festival in some way.

Following its success, the Trust entered the festival into the HSJ Value in Healthcare Awards and it has been shortlisted in the Mental Health category. The Awards recognise and reward outstanding efficiency and improvement by the NHS and winners will be announced at a ceremony in Manchester on Tuesday 24 May.

### **The Trust's Liaison Psychiatry service has been formally accredited by the Royal College of Psychiatrists' Centre for Quality Improvement (CCQI) (Spring Edition)**

The accreditation recognises the team's commitment to quality, safety and efficiency.

The team was reviewed by a panel of professionals, referrers, patients and carers, and passed its assessments with flying colours. The service will now proudly display the CCQI kitemark, which stands for high quality care and a commitment to continuous improvement.

### **The Trust has also been shortlisted for an Excellence in Diversity Award, which celebrates individuals and organisations who champion diversity and promote inclusion (Spring Edition)**

There were over 1000 entries for the 2016 awards in 16 categories. Our Trust is nominated in the 'Diverse Company Public' category, alongside the Royal Air Force, Transport for London, South Wales Police and Avon and Wiltshire Mental Health Partnership NHS Trust.

The Awards recognise inclusive employers and judges have picked up on the great work across the Trust, supported by the Diversity and Inclusion Team, to improve the lives of our service users, carers and staff. Among other things the judges were keen to hear about any procedures and initiatives that ensure diversity and inclusion is promoted among Trust employees and asked about any projects the Trust runs involving the local community. Winners of this year's Excellence in Diversity Awards will be announced at The Queens Hotel, Leeds in May.

### **Outstanding contribution to the deaf community (Spring Edition)**

Professor Barry Wright, Clinical Lead of the National Deaf Child and Adolescent Mental Health Service (CAMHS) at Lime Trees in York, has been presented with a Highly Commended Award for his 'outstanding contribution to the deaf community' at the 175<sup>th</sup> Birthday Honours Awards for the Royal Association of Deaf people (RAD).

The award is in recognition of Barry's longstanding work in identifying and rectifying the lack of access for deaf children to mental health services in North Yorkshire. From 2004, Barry established a pilot service in York, to provide the first mental health service for deaf children outside of London.

Barry then led a successful national bid to the Government and NHS England to establish a ten centre service, throughout England, which has become known as National Deaf CAMHS. This service continues to offer opportunities for both deaf and hearing staff to work together to provide high quality services to deaf children and their families in their local communities.

### **A bright future for the Trust's first mental health apprentices - April 2016**

A scheme to employ apprentices in the Trust's mental health services for the first time has been so successful that 86 per cent of the recruits have now been offered permanent posts and two have won awards.

The cohort joined the Trust in April 2015 on a year-long programme and during that time, have completed two six-month placements in clinical services and attained qualifications at Leeds City College. Prior to this intake, apprentices had only been employed by the Trust's Learning Disability Supported Living Service.

As well as providing personal care and psychological and emotional support to service users, the apprentices were also tasked with helping those in their care to develop social and leisure interests,

maintain their health and wellbeing and access community facilities. On completion of their apprenticeships, they were guaranteed an interview for a Health Support Worker position at the Trust. Six out of seven were successful, with the seventh committed to continuing their studies in social work and social sciences.

### **Community Learning Disabilities Review (Spring Edition)**

This follows lessons learned from Winterbourne View and the subsequent development of the national NHS Transforming Care agenda. The national Transforming Care programme and the Trust's review of services are focused on ensuring:

- More choice for people and their families, and more say in their care
- Providing more care in the community, with personalised support provided by multidisciplinary health and care teams
- More innovative services to give people a range of care options, with personal budgets, so that care meets individuals' needs
- Providing early, more intensive support for those who need it, so that people can stay in the community, close to home
- Those that do need inpatient care receive it only for as long as they need it.

A proposal will be published in early November 2016. If approved, changes to current services will start from then onwards. The aim is to have all changes delivered and in place for April 2017.

### **Celebrating the Trust's volunteers - 9 June 2016**

The invaluable contribution volunteers make to our Trust has been recognised at a special event during Volunteers' Week. Around 135 volunteers regularly donate their time to support services. Together, they spend approximately 18,000 hours a year helping out, with some marking ten years at the Trust. On Thursday 9 June, the unsung heroes were invited to a celebration at The Mount as a thank you for their hard work.

### **Children's 136 suite opens at The Becklin Centre - June 2016**

A new facility for vulnerable children who need urgent mental health care has opened at The Becklin Centre. The children's Section 136 suite or 'place of safety' is for children and young people under 18 years old who are detained by the police under Section 136 of the Mental Health Act. Young people will come to the new suite to receive acute care and assessment in a clinical environment, rather than be detained in police custody.

In the past, children detained under Section 136 had been assessed alongside adults in one unit. In October 2015, an enhanced Section 136 place of safety for vulnerable adults opened at The Becklin Centre, meaning the existing 136 suite could be refurbished to provide a separate area for children and young people. The dedicated Child and Adolescent Mental Health Service (CAMHS) suite has two rooms and young people brought to the unit by the police will be seen and assessed by a CAMHS doctor.

### **Love Arts Festival - 5 to 20 October 2016**

Preparations are well underway for the sixth annual Love Arts Festival, which will take place in Leeds between 5 and 20 October. The event, which started in 2011 and is the first of its kind to be organised by an NHS Trust in England, aims to get people thinking and talking about mental health in a creative way. It will challenge the stigma attached to mental illness and this year the focus is on the theme of identity, with people being asked to consider what 'I am' means to them.

The Festival is organised by the Arts and Minds Network (a partnership project run by the Trust), and will include exhibitions, workshops and performances. It will also see the return of the Love Arts Conversation, a conference to explore mental health, creativity and identity, and the Love Arts Trail.

### **Annual Members' Day - 20 September 2016**

Members, staff and local people with an interest in mental health and learning disabilities gathered for our Annual Members' Day in September. The event, held at the Carriageworks in Leeds, was an opportunity to reflect on the challenges and achievements of the last 12 months, showcase the Trust's services and projects, and to explore the themes of labelling and identity which are at the heart of our 'This is Me...' campaign.

The day started off with the official Annual Members' Meeting, which saw Chief Executive Dr Sara Munro take the audience through a review of the year's highlights, challenges and achievements. The meeting also included a financial report from Chief Financial Officer, Dawn Hanwell, a presentation by Lead Governor, Claire Woodham about the role that governors play within our Trust, and a members' vote on changes to the Trust's constitution. It ended with a lively question and answer session in which the Board of Directors took questions from the floor that covered a range of topics from community mental health care services in Leeds to how we as a society can better challenge stigma.

The lunchtime 'marketplace' session provided a snapshot showcase of the Trust's services and projects and gave attendees the chance to explore some of the themes of the 'This is Me...' campaign. An interactive 'Your Voice Counts' workshop also gave people the chance to familiarise themselves with the crowdsourcing software that the Trust used to co-create its vision, values and strategy with staff, members and stakeholders earlier this year.

The afternoon was led by independent theatre company, The Lawnmowers, and focused on the themes surrounding the 'This is Me...' campaign. The group, run by and for people with learning disabilities, performed a thought-provoking drama piece entitled 'Drop the Label', and then used audience participation to explore the role that labels and identity can have on mental health and wellbeing.

### **Community Learning Disability Nurses shortlisted for Nursing Times Award - October 2016**

Three of the Trust's nurses were shortlisted for a national award for the work they've been doing to help people with learning disabilities in Leeds to access annual health checks.

Community Learning Disability Nurses, Julie Royle-Evatt, Sheila Truran and Janet Tsiga have worked with 40 GP practices over a two-year period. They have supported them to review their processes for identifying when a patient has a learning disability so they can offer them an annual health check and a health action plan. More than 500 patients with learning disabilities are now receiving an annual health check thanks to Julie, Sheila and Janet's efforts. The annual health checks and health action plans were introduced in response to health inequalities experienced by those with learning disabilities. As part of the project, a toolkit of free, easy-read resources has also been produced for use in GP practices. This material is available online at [www.easyonthei.nhs.uk/get-checked-out-resources](http://www.easyonthei.nhs.uk/get-checked-out-resources).

### **Trust ranked highly for diversity (Autumn Edition)**

The Trust has been ranked 20th in the Inclusive Top 50 UK Employers List for its continued dedication to improving workplace diversity. The Inclusive Top 50 UK Employers List recognises the efforts of organisations that have begun their journey to attracting and retaining a truly diverse workforce, achieving equality, diversity and inclusion.

The Trust is continuing the work started as part of the Your Voice Counts programme. A Workforce Race Equality Ideas Implementation Group (IIG) has been established that focuses on priority areas such as talent management, tackling discrimination and challenging barriers to professional development. In May 2016 the Trust held an equalities engagement event which encouraged an open discussion with a wide cross-section of staff. Feedback from both of these groups will continue to help develop the Trust's future equality priorities.

In addition to existing equality and diversity training and support for staff, in 2017 the Trust will introduce an equalities-focused CPD (Continuing Professional Development) development day for clinical staff.

### **Junior doctors give us top marks for training (Autumn Edition)**

The Trust has achieved outstanding results in a national survey amongst junior doctors published by the General Medical Council (GMC). The Trust was ranked fourth place for overall satisfaction in training of all trusts in the 2016 England survey.

The overall satisfaction rate by junior doctors in training at the Trust increased for the fourth year in a row to 87%. The quality of clinical supervision our junior doctors have received has increased for the

third year in a row to 93%. In total, junior doctors scored the Trust very highly in nine of the 15 survey indicators, which also included educational supervision and working.

### **Learning disability service gets quality report from inspectors (August 2016)**

One of our learning disability units in Leeds got a good report from the Care Quality Commission (CQC) in August.

The report followed an unannounced inspection at the Parkside Lodge facility in April 2016. Parkside Lodge is a 12 bed mixed sex acute assessment and treatment inpatient unit for people with a learning disability or autism.

The report highlights five areas of good practice and three areas for improvement.

### **Designing with care - improving the dementia wards at The Mount (Autumn Edition)**

A programme of improvement works, designed to make two wards at The Mount more 'dementia friendly', is now complete. The project was developed by the teams from Wards 1 and 2; a 12-bed female dementia care ward and 17-bed male dementia care ward.

Staff looked at the ward environment and highlighted ways in which it could better support the needs of older people with dementia.

The aim was to create an environment for service users that is less confusing and easier to move around.

As well as introducing contrasts of colour, changes have been made to the flooring and new units installed to provide storage for activities and resources. The works were informed by research undertaken by both The King's Fund and the Stirling Dementia Services Development Centre, who produced evidence-based tools for auditing ward environments.

### **Leeds Mental Health Flow (Autumn Edition)**

The Trust led a project to improve patient experience, reduce out of area treatments and save £1.5 million for the local health system.

The Leeds Mental Health Flow aimed to deliver radical, system-wide, sustainable change to improve quality of care, patient experience and the system that supports this. The first step was a four day rapid improvement event which took place in late September. This involved around 40 clinicians, health workers and managers from across the Leeds health and social care system. The project has made huge improvements for service users, it was revealed in January.

#### **Results:**

##### **Length of stay**

Our average length of stay has reduced from 48 to 41 days – meaning people are now spending a week less in hospital than they were compared to a year ago. Variation has decreased significantly as well.

##### **Occupied bed days**

Over the last year, we've gone from using 103 of our 105 adult acute beds on average, to using 98 on average since October last year. This means we are much closer to the nationally-recognised optimum rate of 85 per cent bed occupancy.

##### **Out of area placements**

We are now consistently below an average of five service users placed out of area since October 2016 – the best we've seen for two years if not longer.

### **Triangle of Care: bringing carers, service users and professionals together (Autumn Edition)**

More families are playing an active part in their loved ones' care, thanks to a new initiative in our forensic services.

The Triangle of Care is a national framework, developed by carers and NHS staff, to improve carer engagement in mental health services.

It brings carers, services users and professionals together to promote safety, support recovery and sustain wellbeing, and it is an approach that has been embraced on the Trust's forensic inpatient wards at the Newsam Centre in Leeds and Clifton House in York.

Since formally signing up to the Triangle of Care in 2015, staff within the forensic service have become 'carer aware', and have been trained in carer engagement strategies. This training includes an awareness of carer needs, dealing with queries and concerns, encouraging carers to provide a narrative of their experience, advising on treatments, medicines management, and sources of help and support.

The three-way partnership approach has made such a positive impact in forensics that many of the growing network of 'carer champions' have gone on to train in Behavioural Family Therapy. The network meet regularly to share experiences and knowledge, and each one of them has heard personal stories filled with hope, frustration, gratitude, bewilderment, weariness and laughter.

Recovery is a journey, and thanks to the Triangle of Care it is a journey that service users, professionals and carers are on together.

The Trust plans to develop this project further to ensure that all carers receive the information, advice and support they need to continue in their roles as expert partners in care.

### **World Mental Health Day - 10 October**

This year the Trust hosted a number of events to celebrate the day by raising awareness and encouraging people to share their story, discuss how labels can have a huge impact on our lives and say...This is Me!

### **Open Mic Night**

We held an Open Mic Night at the Foodworks Café, where everyone really enjoyed themselves singing and dancing with singers and musicians performing music from many genres, including folk and rap. The night finished with an impromptu freestyle break-dancing performance.

### **Tea and Talk**

The Mental Health Library at the Mount Annexe held a 'Tea and Talk' staff event which showcased the library's 'books on prescription' and 'mood boosting books', as well as demonstrating new dementia resources under development.

The staff from the Perinatal Service were inspired by the twiddlemuffs on display to think about similar resources that could be used in their service. Staff working with patients with dementia were also interested in the ongoing work to develop reminiscence resources.

### **New president for the Royal College of Psychiatrists**

Dr Wendy Burn, a Consultant Old Age Psychiatrist at Leeds and York Partnership NHS Foundation Trust, has been elected the next president of the Royal College of Psychiatrists.

The College's members, fellows and specialist associates cast their votes earlier this year and, as the successful candidate, Dr Burn will take over from current president, Professor Sir Simon Wessely, in June 2016.

She will be the College's 16th president and will be in post for the next three years.

### **Grants from Arts and Minds (Autumn Edition)**

Earlier this year, services across the Trust were invited to bid for a grant from the Arts and Minds Network to run a creative project in their area. To be eligible, projects had to enable people who use Trust services to participate in some form of creativity and needed to involve service users in the planning. The five projects mentioned below were awarded the grants, worth £1000.

#### **1) Hobby crafts at The Mount**

At The Mount, myths, stories and poems have been used to explore the folklore of herbs and their cosmetic, cooking, medicinal and magical uses.

Service users and staff from Wards 3 and 4 worked with professional artist, Irene Lofthouse on the project, harvesting herbs from The Mount's sensory garden and using their taste, texture and scent as inspiration.

The herbs were then used in crafts, with service users creating everything from coasters to pomanders.

## **2) Mural at Clifton House**

Clifton House in York worked with professional graffiti artists from Connecting Youth Culture to create a graffiti mural in the area between the male and female wards, where service users meet for shared groups and activities.

Participants in the project worked with the graffiti artists to determine the concept and design of the mural. They were involved in research sessions and trained in graffiti paint techniques, in order to produce a professionally finished piece of artwork.

The project gave them the opportunity to learn a skill which they can pass on to other service users.

## **3) Mosaics at Asket Croft**

A grant was awarded to service users and staff at the Recovery and Rehabilitation Service at Asket Croft to enable them to work with a professional arts company to create mosaics.

The project explored the theme of identity through discussions about what is meaningful and important in participants' lives, with the results of these discussions expressed in the artwork.

Service users taking part in the sessions were given the opportunity to create individual pieces of work to take away with them, while also contributing to a collaborative piece to be displayed in the unit.

## **4) Photography at The Becklin Centre**

Staff and service users involved with the Healthy Living Service at The Becklin Centre used their grant to develop a photography project.

They tied it in with the Health Walks that have been running for a number of years, creating an opportunity for participants to interact with the environment.

The project was developed with the help of service users who participate in the Health Walks, who had told staff at the Healthy Living Service that they were keen to learn more about their surroundings, the local wildlife, plants and trees.

While on the walks, they took photos, taking inspiration from the local environment and stimulating their creativity.

## **5) Weaving at St Mary's House**

The grant awarded to St Mary's House funded the production of artwork based on a range of weaving techniques.

Professional artist, Agnes Smallwood was brought in to work with service users and staff from the Community Mental Health Team (CMHT) and Intensive Community Services (ICS).

Those participating in the project explored the theme of identity through individual and group discussions, developing these ideas into designs.

The project was designed to help those involved to gain the confidence to try new things, while learning new skills, improving wellbeing and reducing social isolation.

Arts and Minds Network is a partnership project of Leeds and York Partnership NHS Foundation Trust that promotes the vital link between creativity and mental health. We advocate for the use of the arts

to promote recovery, inclusion and mental wellbeing, and champion this message across our region. Visit: [www.artsandmindsnetwork.org.uk](http://www.artsandmindsnetwork.org.uk).

### **Trust's Voluntary Services Team awarded kitemark**

Leeds and York Partnership NHS Foundation Trust's Voluntary Services Team have been given a stamp of approval for providing a 'high quality, positive volunteering experience.'

The service has been awarded a kitemark for promoting volunteering in Leeds and following good practice.

The mark of excellence is valid for two years and is awarded by Volunteer Centre Leeds. Members of the Leeds Volunteer Managers' Network judge each application.

It sets us apart from other organisations and will be promoted by Volunteer Centre Leeds as they help volunteers to make informed choices about which organisation to apply to.

The Trust currently has 148 volunteers providing invaluable support to its services, helping with everything from meet and greets to social activities on the wards and promoting projects.

### **Our outstanding Deaf Child and Young People Service**

There was a big thumbs up from the CQC for our specialist service for deaf children and young people when it was given the highest possible rating of 'outstanding'.

The Trust hosts the York-based Deaf Child and Adolescent Mental Health Service (CAMHS) for the north of England, with other bases in Manchester and Newcastle. It is one of four centres across England offering a highly specialised mental health service for deaf children and young people.

The team is made up of deaf and hearing staff, reflecting the bi-lingual and bi-cultural nature of the service, enabling it to meet the complex mental health needs of deaf children, young people and families regardless of their language and communication needs and preferences.

Inspectors were impressed by the range of therapies and treatments delivered and praised team members for tailoring their work to meet the specific communication needs of families. They described staff as "passionate and enthusiastic" and noted that the feedback from young people and carers who used the service, and from partners who work with the team, was "universally positive".

### **Trust's Memory Support Worker Team makes national award shortlist.**

The Trust's Memory Support Worker (MSW) Team is in the running for a national award for offering an invaluable and efficient service to people who have memory problems or are living with dementia.

The team, which was set up in partnership with the Alzheimer's Society, has been nominated for a HSJ Value in Healthcare Award.

The awards recognise and reward outstanding practice, cutting-edge innovation and improved value and efficiency in healthcare, and the Memory Support Worker Team has been shortlisted in the Clinical Support Services category.

The memory support workers have been employed across Leeds since 2015 to ensure that those living with dementia in the area are able to access meaningful information, advice and support.

One of their main aims is to help people live well with dementia in their community, which can involve signposting to services including memory cafés, carers groups and advocacy.

The Memory Support Worker Team integrates well with the already established memory services in the Trust. Setting up the team has allowed the memory services to re-focus their efforts on their clinical role, including providing support for people once they've been diagnosed with dementia. The memory support workers also work closely with Integrated Neighbourhood Teams and GPs, which improves communication between primary and secondary care services.

### **Trust pharmacist celebrates award win**

One of the Trust's lead pharmacists has won an award for the outstanding contribution she's made to undergraduate medical education in Leeds.

Anita Solanki has been presented with a Teaching Recognition Award by the Leeds School of Medicine at the University of Leeds.

The awards are in their first year and recognise those who continually receive good feedback from students.

### **Mental Health Worker of the Year**

Caroline Foster, a specialist dietitian working in the Rehab and Recovery Service at Asket Croft, has been highly commended at the Yorkshire Evening Post 'Best of Health' Awards.

Caroline was nominated by a service user in the Mental Health Worker of the Year category, which celebrates those who go the extra mile to help people facing a difficult time in their lives.

### **Celebrating our staff**

Everything we do depends on the high standards, innovation and commitment of our staff and volunteers. We recognise and celebrate the fantastic work that goes on across our Trust every day with our staff award schemes.

Everything we do depends on the high standards, innovation and commitment of our staff and volunteers. We recognise and celebrate the fantastic work that goes on across our Trust every day with our staff award schemes.

Our monthly Staff Achievement and Recognition (STAR) Awards are designed to recognise the individuals, teams and volunteers who go above and beyond their call of duty to provide high quality care to people who use our Trust's services.

The scheme is open to all Trust staff and volunteers who have lived by our values of integrity, care and simplicity and any employee, team or volunteer can be nominated.

Each month a STAR Award winner is presented with £100 of high street vouchers, a framed certificate, an invite to our Trust's annual awards ceremony plus a personal letter of thanks from the Chairman and Chief Executive.

Our annual Trust Awards are an opportunity to celebrate the individuals, teams and volunteers who go above and beyond their call of duty to make a real difference to service users, their families, their teams, our services and the Trust.

The annual Trust Awards reflect the high standards, innovation and commitment within our staff team. The awards are an opportunity to recognise the fantastic work that goes on across the Trust every day. This year a record-breaking 115 nominations were made over the 10 award categories.

More than 200 people attended the glittering Trust Awards event in November 2016. The event, which was hosted by People's Poet, David Neita, was an opportunity to celebrate those who go above and beyond the call of duty to make a real difference to service users, their families, their teams, services and the Trust.

Congratulations to everyone who was nominated.

### **Trust Award 2016 winners:**

- **Safe Care Award** Tim Richardson, Inpatient Service Manager
- **Clinical Team of the Year** Bluebell Ward, Clifton House
- **Non-Clinical Team of the Year** Switchboard, Trust-wide
- **Employee of the Year** Marjorie Howard, Support Service Team Coordinator
- **Bank Employee of the Year** Kinga Bugajska, Health Support Worker
- **Volunteer of the Year** Vanessa Findlay, Recovery and Anti-stigma Team
- **Leader of the Year** Hayley Skinner, Acting Clinical Team Manager

- **Staff Health and Wellbeing Award** Joe Loftus, Occupational Health Physiotherapist
- **Developing People Award** Kathleen Peters, Advanced Specialist Physiotherapist
- **Working in Partnership Award** Harm Reduction Team, Crisis Assessment and Acute Inpatient Service

### **FREED study – Eating Disorders**

A new early intervention service for young adults with eating disorders.

A new trial which aims to ensure that young adults with eating disorders receive treatment sooner has launched in Leeds.

The Yorkshire Centre for Eating Disorders is one of only four sites in the country, and the first outside of London, to be involved in the national FREED study. It went live here in January in association with South London and Maudsley NHS Foundation Trust (SLaM), the Health Foundation, and the Institute of Psychiatry, Psychology and Neuroscience, where the team is being led by Ulrike Schmidt.

FREED is all about early intervention. It stands for 'First Episode and Rapid Early Intervention Service for Young Adults with Eating Disorders', and is for young people aged 18 to 25 who have developed an eating disorder within the last three years.

### **Eating Disorders Upbeat app**

A new app, designed to be an essential part of treatment for people with eating disorders, has been created by clinical staff and service users at the Yorkshire Centre for Eating Disorders. The free, Upbeat app includes features such as Goals, Schedule and Distractions that service users can customise and tailor to meet their needs. The purpose of the app is to encourage self-management and monitoring by service users, while also strengthening their relationship with clinical staff providing their care. Clinicians can support service users to monitor their progress as all the information they input into the app is stored securely online. The Upbeat app is available for iPhone, iPad and Android devices.

### **Leeds leads the way in sharing electronic mental health patient records**

The Trust has become the first mental health Trust in England to make key aspects of its patient's records available electronically to other health and social care organisations.

The Trust, which provides mental health and learning disability services across Leeds and beyond, is part of the Leeds Care Record.

The Leeds Care Record has been rolled out across the city for over a year and provides health and social care staff directly involved in a person's care access to the most up-to-date information about their treatment. It does this by sharing appropriate information from medical and care records between health and social care services across the city.

There are over 300 clinical computer systems in Leeds. They all hold information about patients who have used services provided by their GP, at a local hospital, community healthcare, social services or mental health teams. Each record may hold slightly different information. The Leeds Care Record is bringing together certain important information from all of these systems so that medical and care information held about a patient or service user can be centralised in one place.

Leeds Care Record has now started to share information held by the Trust about people's mental health. This follows extensive engagement with service users across the city, which has been led by local network Leeds Involving People, who asked the views of service users about sharing their records. Overall, the participants were happy for aspects of their mental health information to be shared and that it would make for smoother, more joined-up care and help to improve the decisions made by care professionals.

### **Trust is named Public Service Recycler of the Year**

The Trust has won the Public Service Recycler of the Year Award in the National Recycling Awards which celebrates the achievements of the best companies in the waste and resources sector.

The award was in recognition of how the Trust has improved its recycling and waste collection system and brought in savings equivalent to three or four nurses' salaries every year.

Back in 2010, the Trust did very little recycling, but through investment and a strong focus on communication and engagement with staff at all levels, recycling has become an established routine for all staff that operate from Trust-managed buildings. Implementation of the new domestic waste scheme resulted in a 36% improvement in costs in the first year and a further 22% improvement in the second year.

The judges commended the Trust for how the new scheme has delivered “sustained success delivered at low cost through simple measures and systems” and for the drive and active engagement of its waste and environmental manager Jason Mitchell.

### **Trust helps service users to grow their own**

Staff and service users on ward 5 at the Newsam Centre in Leeds have created a “blooming marvellous” allotment area.

Ward 5 is a locked recovery and rehabilitation ward which focuses on working in collaboration with service users and their family and friends. The ward inspires hope and recovery through the use of holistic interventions that meet individual needs, including: psychological, medical, nursing and occupational therapy initiatives. The overall aim is to foster independence and support service users to realise their goals and improve their quality of life.

The garden is a popular space for staff and service users to take their breaks and it was felt that the area could be revitalised and used in a productive way. After securing the agreement of their ward manager, staff and service users set to work by ripping out the old hedgerow and preparing the soil. Lots of seeds, plants and cuttings were donated.

### **HR award**

We won a Chartered Institute for Personnel and Development (CIPD) People Management Award. The People Management award was won by the Human Resources and Learning Development Team for the brilliant work they have done to reduce sickness levels at the Trust and how they work with others within the organisation.

### **HSJ Patient Leader Award Winner**

Wendy Mitchell, one of our Trust’s service users and an active participant in research, has been awarded the HSJ Patient Leader Award.

Wendy was diagnosed with Alzheimer’s disease last year and, working alongside the National Institute for Health Research (NIHR), has since dedicated her time to encouraging others with the condition to actively participate in research.

The judges of the HSJ Patient Leader Awards, which named 50 outstanding patient leaders contributing to large scale change and shaping the future of healthcare, were impressed by Wendy’s experience, saying she is “doing very good work” through the development of a network of patient and carer champions and the way in which she shares her story at a number of conferences and events across the country.

Dementia is a debilitating disease that currently affects around 850,000 people in the UK and through research studies and trials, the NIHR and their partners are always on the lookout for people to play their part in beating dementia. To find out how you can be involved, locally and nationally, please see: <http://www.joindementiaresearch.nihr.ac.uk/>.

### **Trust celebrates award-winning NHS research collaboration**

A three-way partnership between the National Institute for Health Research (NIHR), Ashridge Business School and a network of NHS Trusts including Leeds and York Partnership NHS Foundation Trust has won a gold medal award in the [EFMD Excellence in Practice Awards \(EiP\)](#).

The ground-breaking collaboration which facilitates ‘faster and easier’ clinical research in the NHS in England was awarded the medal in the Organisational Development category by EFMD, a global management development network. The initiative has led to a revolution in performance between the

64 trusts that were involved in the project and produced impressive levels of impact individually, organisationally and across the whole of the NHS system.

As part of the initiative, our Trust produced an Improvement Intention to show its commitment to research and raise its profile within the organisation. This improvement plan has been developed into a working strategy to improve research and development capacity within the Trust and in its workforce by recruiting clinical staff who will be involved in both clinical practice and research activities. It is anticipated that increased involvement in research within the Trust will improve health outcomes for service users, as well as improved healthcare processes, and lead to increased collaborative working between academics, NHS staff and service users.

**mHabitat wins Medilink healthcare award - 6 March 2017**

mHabitat won the Patient Engagement Award at the Medilink Yorkshire and Humber Healthcare Business Awards 2017, for their new website [MindWell](#).

The award celebrates a new healthcare 'device or service' which was developed through a process of engagement or 'co-creation' with patients or service users.

MindWell was launched in October and is now the single 'go to' place for people in Leeds, including GPs, clinicians and other professionals, to access up-to-date information about mental health. The process of creating the site was facilitated by mHabitat and has involved engaging with a wide range of potential users at every stage of development.

**New website for the Trust - 30 March 2017**

The new site has been developed with the involvement of service users, carers, staff and stakeholder partners and will offer a more user friendly, accessible and responsive experience for visitors.

## ANNEX A – THIRD PARTY STATEMENTS

In recognition of our close working with partners, the Trust engaged with and invited comments on the quality report from the following stakeholders; governors, commissioners, Healthwatch and the overview and scrutiny committees in Leeds and York.

The responses received are set out below.

## **Feedback on the 2016-17 Quality Account**

### **Leeds York Partnership NHS Foundation Trust**

#### **Introduction**

Healthwatch Leeds hosted a session for all the organisations providing NHS services in Leeds who are required to provide annual Quality Accounts, attended by representatives of the Overview and Scrutiny Committee for Health, Public Health and Social Care in Leeds. Healthwatch Leeds and the OSC have a statutory right to comment on QAs. This year we welcomed the Head of Quality for Leeds CCGs joining us on behalf of commissioners.

#### **The key questions considered for all QAs were:**

- Was the patient, service user, carer and public involvement clear?
- Did we understand how the engagement has influenced the priorities and actions in the QA?
- Are there plans for accessible versions?

#### **Joint comments for inclusion in the Quality Account**

The links from feedback influence and quality improvement could be made clear and specific. The engagement and involvement of service users and carers was not the main focus of the current content but examples were given where feedback from carers and service users had influenced care models and improved quality. There is a plan for an accessible version to be published by July 2017.

The numbers of responders in some engagement and the range of people taking part are a challenge. Given that around 20% of Leeds's population includes Black and Minority Ethnic (BME) communities, it is hoped that more can be done to understand and tailor services to meet the needs of all communities.

#### **From Scrutiny Board:**

During 2016/17, the Scrutiny Board established a system of regular Chief Executive's update for the 3 main NHS provider Trusts in Leeds. It is hoped that during 2017/18 this activity can be developed to include regular performance reports, including progress against the Quality Account priorities throughout the year.



Anthony Deery  
Director of Nursing and Quality  
Leeds and York Partnership Foundation Trust  
2150 Thorpe Park, Leeds  
LS15 8ZB

11 May 2017

Dear Anthony,

Thank you for providing the opportunity to feedback on the Quality Account for Leeds and York Partnership Foundation Trust for 2016-17.

This report has been shared with key individuals across the three Leeds CCGs and this response is on behalf of all three CCGs.

We acknowledge that this is a draft report which you have provided and so additional information will be added and amendments made before final publication, so please accept our observations on that basis. In addition it has been a period of change for the trust with the appointment of a new Chief Executive and subsequent appointments to the executive team.

We welcome the commitment to the parity of esteem agenda and look forward to working with the Trust on this fundamental issue. Whilst accepting that there are challenges ahead in working within the new STP landscape, we would expect that progress is made against this crucial initiative especially as it is very heavily supported through the CQUIN scheme.

The progress against the Clinical Effectiveness priorities for last year are welcomed, especially the reduction in out of area placements, the development of the Memorandum of Understanding to support integrated mental health pathways and the review of the mental health legislation systems and processes that has led to considerable improvement in performance. However, there is a lack of detail against progress on the continuing development of recovery focused services and the implementation of the new urgent/emergency/crisis care model. In addition we needed to see more progress against the primary care prototypes than there has been as these are a key development in working in primary care and need to be evaluated in order to inform other elements of the pathway.

The initiatives for 2017-18 are welcomed, especially the commitment to staff development and the implementation of outcome measures across all services.

Progress against the Patient Safety priorities for last year are also lacking a full update. In particular, the review of clinical risk assessment policies and learning from incidents and complaints. It is noted however that there is a commitment to maintain learning as a priority for next year, along with evidencing change of practice through reviewing data and mortality reviews. The commitment to the implementation of a suicide reduction plan is fully supported by the commissioners and we look forward to engaging with the Trust on this.

With regard to the patient experience priorities for last year, the roll out of the triangle of care and the work to review the mental health legislation systems and processes is to be applauded. However, the delivery of targets in relation to memory services and physical health screening are still proving to be a challenge for the Trust and we will continue to monitor progress in 2017-18.

Although new priorities in all three domains have been set for 2017-18, we would also expect that work on priorities from last year will continue as well. Some have been put into the contract for 2017-18.

In other sections of the account, we are impressed with the progress made in the staff survey for 2016. Of note the Trust is above average for similar trusts for staff receiving an appraisal, and scores better than the average for staff feeling unwell due to work related stress. The "Detailed requirements for quality reports for foundation trusts 2016-17", however did advise that trusts should report on the "% of staff believing the trust provides equal opportunities for career progression or promotion" and we cannot see this result in the report.

The CQC report was obviously disappointing for the Trust as it remained at "Requires Improvement". However, this did not reflect the full picture as two domains were rated as good (caring and responsive) as opposed to only one in 2014 and eight out of the thirteen core services were rated as good and one as outstanding. The commissioners will request regular updates of progress against the action plan and offer support where appropriate in the Trust's desire to move to a rating of at least Good.

The final section of the report describes many good initiatives taking place across the Trust including the work of the Service User Network, the Voluntary services receiving a kite mark and the development of an app by the eating disorders service.

However, not all the initiatives have a date on and so it is not clear whether all these initiatives have occurred in the last twelve months.

We welcome the opportunity to review the report and hope that this is accepted as a fair reflection. We would also like the opportunity to review progress against priorities in the coming year in order that we work closely with the Trust to support them to deliver high quality services to the population of Leeds.

Yours sincerely,



Dr Manjit Purewal  
Joint Medical Director

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## ANNEX B – 2015/16 STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE QUALITY REPORT

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations to prepare Quality Accounts for each financial year.

NHS Improvement has issued guidance to NHS foundation trust boards on the form and content of annual quality reports (which incorporate the above legal requirements) and on the arrangements that NHS foundation trust boards should put in place to support the data quality for the preparation of the quality report.

In preparing the Quality Report, directors are required to take steps to satisfy themselves that:

- The content of the Quality Report meets the requirements set out in the NHS Foundation Trust annual reporting manual 2016/17 and supporting guidance
- The content of the Quality Report is not inconsistent with internal and external sources of information including:
  - board minutes and papers for the period April 2016 to March 2017
  - papers relating to quality reported to the board over the period April 2016 to March 2017
  - feedback from commissioners dated 15/05/2017
  - feedback from governors dated 28/04/2017 (Verbal feedback given during stakeholder meeting)
  - feedback from local Healthwatch organisations dated 05/05/2017
  - feedback from Overview and Scrutiny Committee dated 05/05/2017
  - the trust's Board receives regular complaints reports throughout the year, and the annual complaints report, published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, will be received and signed off at June 2017 Board meeting.
  - the 2016 national inpatient survey 04/01/2017 and Mental Health 2016 Community Survey 08/09/2016
  - the national staff survey 07/03/2017
  - the Head of Internal Audit's annual opinion over the trust's control environment dated 24/04/2017
  - CQC inspection report dated 15/11/2016
- the Quality Report presents a balanced picture of the NHS foundation trust's performance over the period covered
- The performance information reported in the Quality Report is reliable and accurate
- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice
- the data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review

- the Quality Report has been prepared in accordance with NHS Improvement’s annual reporting manual and supporting guidance (which incorporates the Quality Accounts regulations) as well as the standards to support data quality for the preparation of the Quality

The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the Quality Report.

By order of the board



Date: 25 May 2017.....Chairman (Prof Sue Proctor)



Date: 25 May 2017 .....Chief Executive (Dr Sara Munro)

## ANNEX C – INDEPENDENT AUDITORS’ LIMITED ASSURANCE REPORT TO THE COUNCIL OF GOVERNORS OF LEEDS AND YORK PARTNERSHIP NHS FOUNDATION TRUST ON THE ANNUAL QUALITY REPORT

We have been engaged by the Council of Governors of Leeds and York Partnership NHS Foundation Trust to perform an independent assurance engagement in respect of Leeds and York Partnership NHS Foundation Trust’s Quality Report for the year ended 31 March 2017 (the ‘Quality Report’) and specified performance indicators contained therein.

### Scope and subject matter

The indicators for the year ended 31 March 2017 subject to limited assurance (the “specified indicators”) marked with the symbol (A) in the Quality Report, consist of the following national priority indicators as mandated by Monitor:

Specified Indicators	Specified indicators criteria (exact page number where criteria can be found)
100% enhanced Care Programme Approach patients receiving follow-up contact within seven days of discharge from hospital	Criteria can be found on page 164 of the Quality Report
Admissions to inpatient services had access to crisis resolution home treatment teams	Criteria can be found on page 165 of the Quality Report

### Respective responsibilities of the directors and auditors

The directors are responsible for the content and the preparation of the Quality Report in accordance with the specified indicators criteria referred to on pages of the Quality Report as listed above (the “Criteria”). The directors are also responsible for the conformity of their criteria with the assessment criteria set out in the NHS Foundation Trust Annual Reporting Manual (“FT ARM”) and the “Detailed requirements for quality reports 2016/17” issued by the Monitor (operating as NHS Improvement) (“NHSI”).

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that:

- The Quality Report does not incorporate the matters required to be reported on as specified in the FT ARM and the “Detailed requirements for quality reports 2016/17”;
- The Quality Report is not consistent in all material respects with the sources specified below; and
- The specific indicators have not been prepared in all material respects in accordance with the Criteria set out in the FT ARM and the “Detailed guidance for external assurance on quality reports 2016/17”.

We read the Quality Report and consider whether it addresses the content requirements of the FT ARM and the “Detailed requirements for quality reports 2016/17”; and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the Quality Report and consider whether it is materially inconsistent with the following documents:

- Board minutes for the period April 2016 to March 2017
- Papers relating to quality reported to the Board over the period April 2016 to May 2017;
- Feedback from the Commissioners (NHS Leeds West, NHS Leeds North and NHS Leeds South and East CCGs) dated 15/05/2017;
- Feedback from local Healthwatch (Healthwatch Leeds) dated 05/05/17;

- Considering significant judgements made by the NHS Foundation Trust in preparation of the specified indicators
- Performing limited testing, on a selective basis of evidence supporting the reported performance indicators, and assessing the related disclosures; and
- Reading the documents.

A limited assurance engagement is less in scope than a reasonable assurance engagement. The nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

### **Limitations**

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for the determining such information.

The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable measurement techniques which can result in materially different measurements and can impact comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision thereof, may change over time. It is important to read the Quality Report in the context of the assessment criteria set out in the FT ARM the “Detailed requirements for quality reports 2016/17” and the Criteria referred to above.

The nature, form and content required of Quality Reports are determined by NHSI. This may result in omission of information relevant to other users, for example for the purpose of comparing the results of different NHS Foundation Trusts.

In addition, the scope of our assurance work has not included governance over quality or non-mandated indicators in the Quality Report, which have been determined locally by Leeds and York Partnership NHS Foundation Trust.

### **Conclusion**

Based on the results of our procedures, nothing has come to our attention that causes us to believe that for year ended 31 March 2017;

- The Quality Report does not incorporate the matters required to be reported on as specified in the FT ARM and the “Detailed requirements for quality reports 2016/17”;
- The Quality Report is not consistent in all material respects with the documents specified above; and
- The specified indicators have not been prepared in all material respects in accordance with the Criteria set out in the FT ARM and the “Detailed guidance for external assurance on quality reports 2016/17”.



**PricewaterhouseCoopers LLP**  
**Benson House, 33 Wellington Street, Leeds, LS1 4JP**  
 25 May 2017

**PART C  
ANNUAL ACCOUNTS  
2016/17**



## SECTION 1.1 – STATEMENT OF THE DIRECTORS’ RESPONSIBILITIES

The directors are required under the NHS Act 2006 to prepare accounts for each financial year. The Secretary of State, with the approval of the Treasury, directs that these accounts give a true and fair view of the state of affairs of the Trust and of the income and expenditure of the Trust for that period. In preparing these accounts the directors are required to:

- Apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury
- Make judgments and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosures and explained in the accounts.

The directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the accounts comply with the requirements outlined in the above-mentioned direction of the Secretary of State. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that to the best of their knowledge and belief they consider the Annual Report and Accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the NHS foundation trust's performance, business model and strategy.

Signed  
Dr Sara Munro  
**Chief Executive**



Date: 25 May 2017

Signed  
Dawn Hanwell  
**Chief Financial Officer**



Date: 25 May 2017



## SECTION 1.2 – INDEPENDENT AUDITORS’ REPORT TO THE COUNCIL OF GOVERNORS OF LEEDS AND YORK PARTNERSHIP NHS FOUNDATION TRUST

### Report on the financial statements

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#### Our opinion

In our opinion, Leeds and York Partnership NHS Foundation Trust’s financial statements (the “financial statements”):

- give a true and fair view of the state of the Trust’s affairs as at 31 March 2017 and of its income and expenditure and cash flows for the year then ended; and
- have been properly prepared in accordance with the Department of Health Group Accounting Manual 2016/17.

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#### What we have audited

The financial statements comprise:

the Statement of Financial Position as at 31 March 2017;

the Statement of Comprehensive Income for the year then ended;

the Statement of Cashflows for the year then ended;

the Statement of Changes in Taxpayer’s Equity for the year then ended; and

the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

Certain required disclosures have been presented elsewhere in the Annual Report and Accounts (the “Annual Report”), rather than in the notes to the financial statements. These are cross-referenced from the financial statements and are identified as audited.

The financial reporting framework that has been applied in the preparation of the financial statements is the Department of Health Group Accounting Manual 2016/17.

#### Our audit approach

##### *Context*

The Trust provides specialist mental health and learning disability services to the population of Leeds and the surrounding areas. Services are delivered from a wide range of sites across the Yorkshire and Humber region.

Its primary commissioners are: NHS Leeds North Clinical Commissioning Group; NHS Leeds West Clinical Commissioning Group; and, NHS Leeds South and East Clinical Commissioning Group. Of these three, the lead for mental health commissioning is Leeds North CCG. Specialist services are also commissioned directly by NHS England

Our audit for the year ended 31 March 2017 was planned and executed having regard to the fact that the Trust’s operations and financial stability were largely unchanged in nature from the latter half of the previous year. In light of this, our approach to the audit in terms of scoping and areas of focus was largely unchanged, albeit last years financial statements were impacted by six months of the £30m contract from NHS Vale of York Clinical Commissioning Group to deliver mental health and learning disability services in York and North Yorkshire. This contract was lost in September 2015 therefore for the purposes of a year on year comparison of the financial statements is impacting last years balances, however other than this there is no impact of this on current year balances and therefore was not an area of focus in the current year.

## Overview



- Overall materiality: £3.1m which represents 2 % of total revenue.
- We performed an audit of the complete financial statements of the Trust for the year ended 31 March 2017, subject to the level of materiality outlined above.

Risks of fraud in revenue and expenditure recognition and management override of control;

Financial standing; and

Estates and capital accounting.

## The scope of our audit and our areas of focus

We conducted our audit in accordance with the National Health Service Act 2006, the Code of Audit Practice and relevant guidance issued by the National Audit Office on behalf of the Comptroller and Auditor General (the “Code of Audit Practice”) and, International Standards on Auditing (UK and Ireland) (“ISAs (UK & Ireland)”).

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

The risks of material misstatement that had the greatest effect on our audit, including the allocation of our resources and effort, are identified as “areas of focus” in the table below. We have also set out how we tailored our audit to address these specific areas in order to provide an opinion on the financial statements as a whole, and any comments we make on the results of our procedures should be read in this context. This is not a complete list of all risks identified by our audit.

Area of focus	How our audit addressed the area of focus
<p><i>Risk of fraud in revenue and expenditure recognition and management override of control</i></p> <p>There is a risk that due to the sector pressures from NHS Improvement to achieve a pre-determined financial position, management has adopted accounting policies or treated income and expenditure transactions in such a way as to improve the underlying position this year and/or next year. This incentive is increased by the sustainability transformation fund which introduces a financial incentive to achieve and exceed a pre-planned surplus position. Management may then be motivated to report a financial position which maximises receipt and retention of STF funds.</p> <p>We focussed our work on the elements of income and expenditure that are the most susceptible to manipulation being:</p> <ul style="list-style-type: none"> <li>• non-standard journal transactions including the accrued/deferred income and accrued/prepaid expenses;</li> <li>• items of expenditure whose value is estimated, including provisions for redundancy and bad debts;</li> </ul>	<p>We evaluated and tested the accounting policy for income recognition and found it to be consistent with the requirements of the NHS Foundation Trust Annual Reporting Manual.</p> <p>For transactions close to the year-end we tested, on a sample basis that the transactions and associated income had been posted to the correct financial year by tracing them to invoices and other documentary evidence. Our testing did not identify any balances that had been recorded to the incorrect period.</p> <p>We obtained and tested all Clinical Commissioning Group (CCG) contract reconciliations including testing all material reconciling items.</p> <p>We tested a sample of income by agreeing it to invoices and subsequent cash received (for NHS and Non-NHS income) to check whether it had been correctly recorded.</p> <p>From our testing we were able to determine that revenue was appropriately and accurately recognized.</p> <p><i>Journals</i></p> <p>We tested a sample of manual journal transactions that had been recognised in both income and expenditure focusing in particular on those recognised near the end of the year or included in accrued/deferred income or prepaid/accrued expenses, by tracing the journal entry to the supporting documentation (for example, invoices and cash receipt and</p>

<i>Area of focus</i>	<i>How our audit addressed the area of focus</i>
<ul style="list-style-type: none"> <li>• impairments and reversal of impairments on the revaluation of land and buildings;</li> <li>• inter-nhs balances which are in dispute; and</li> <li>• unrecorded liabilities.</li> </ul> <p>We performed detailed testing to ensure income and expenditure was recognised in the period to which it related.</p>	<p>payments). Our testing confirmed that they were supported by appropriate documentation and that the related income and expenditure was recognised in the correct accounting period.</p> <p><i>Intra-NHS balances</i></p> <p>We obtained the Trust’s intra NHS confirmations for debtor, creditor, income and expenditure balances and checked that management had investigated disputed amounts over the investigation threshold set by NHS Improvement. We discussed with management the results of their investigation and the resolution which we agreed to correspondence with the counterparty. We then considered the impact, if any, these variances would have on the value of income and expenditure recognized in FY17 and determined that there was no material impact.</p> <p><i>Management estimates</i></p> <p>We evaluated and tested management’s accounting estimates focusing on:</p> <ul style="list-style-type: none"> <li>• Accruals;</li> <li>• Provisions;</li> <li>• Deferred income;</li> <li>• Provision for receivables; and</li> <li>• Land and buildings valuation (see specific area of focus below).</li> </ul> <p>We evaluated and challenged the key accounting estimates on which management’s estimates were based and the basis of their calculation by;</p> <ul style="list-style-type: none"> <li>• comparing the assumptions used by management in the calculation of their estimate with independent assumptions (from publically available sources) and investigated any differences; and</li> <li>• agreed the accuracy of data used to calculate the estimate against the Trusts original data.</li> </ul> <p>We evaluated and challenged the new provision for redundancies and on a sample basis checked that it complied with the criteria of IAS37 and there was sufficient supporting evidence for the calculation of the provision amount. From the testing we did not identify any exceptions with the new provisions balance.</p> <p>Where provisions balances had been ‘reversed unused’ we checked that the factors which originally justified the provision no longer applied and concluded that they did not.</p> <p><i>Unrecorded liabilities</i></p> <p>We performed testing to make sure there were no unrecorded liabilities by:</p> <ul style="list-style-type: none"> <li>• agreeing large payments made and invoices received after the year end to supporting documentation and checking that where they related to FY17 expenditure an accrual was recognized appropriately;</li> <li>• comparing the list of accrued expenses recognized at 31 March 2017 with that recognized in the prior year to identify differences in accruals year on year which we then investigated.</li> </ul> <p>From the testing performed we did not identify any unrecorded liabilities as at the year-end date.</p>

<i>Area of focus</i>	<i>How our audit addressed the area of focus</i>
<p><b>Financial Standing</b></p> <p>As part of our audit work, we are required to consider the ongoing financial position of the Trust and the appropriateness of the going concern principle.</p> <p>The Trust has historically reported surpluses in the past three financial years and has a strong balance sheet with a FY17 cash balance of £48m. However the sector is facing significant financial pressure and is likely to continue reporting a deficit.</p> <p>Against this backdrop LYPFT is facing pressure to meet its surplus control target in 2016/17 and in 2017/18. The Trust is reliant on Sustainability and Transformation Funds to achieve the targets which are received on a conditional basis. Payment are linked to the achievement of an agreed control total as well as Trust-specific operational performance targets.</p> <p>This is an area of focus due to:</p> <ul style="list-style-type: none"> <li>the current economic position of the Foundation Trust sector, which continues to be under financial pressure and</li> <li>the pressure to achieve a pre determined surplus control target.</li> </ul>	<p>In considering the financial performance of the Trust we have:</p> <ul style="list-style-type: none"> <li>Understood the Trust’s budget, cash forecasts and levels of reserves and assessed the ongoing ability of the Trust to meet its liabilities as they fall due; and</li> <li>We have tested the Trust’s financial plans and challenged its underlying assumptions on income levels and CIPs, including performing a downside scenario test.</li> <li>We have completed an analysis of surplus after removing one-off impacts on the statement of comprehensive income and noted that the “normalised” position is breakeven.</li> </ul> <p>The Trust has reported a £5m surplus for 2016/17 and continues to have high cash balances in the region of £48m. They have also accepted the 2017/18 control total target of £3.7m.</p>

**Estates and Capital Accounting**

The Trust is required to regularly revalue its assets in line with the Foundation Trust Annual Reporting Manual. Professional valuations are carried out by the District Valuers of the Revenue and Customs Government Department. These valuations are carried out in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual. A valuation was undertaken in the current year with the assets were reviewed for impairment using the Modern Equivalent Asset method as appropriate.

We focussed on this area due to the material nature of this balance and the impact on the financial statements if it were to be materially misstated. The specific areas of risk are:

- accuracy of detailed information on assets provided to the valuation expert, in particular the floor plans on which the valuation is based;
- the methodology, assumptions and underlying data used by the District Valuer; and
- the accounting transactions resulting from this valuation with £1.25m charged to the Statement of Comprehensive Income.

- We obtained directly from the District Valuer the output of the valuation undertaken including details of the request for the work to be performed for the Trust.
- We used our valuation expertise to confirm that the valuations methodology and the assumptions used by the Trust’s valuation experts were consistent with our expectations based on our experience of similar valuations.
- We tested a sample of the material assets by verifying that the input data used by the valuer as the basis of the valuation was consistent with the underlying estates and property asset information held within the Trust’s Estates Department.
- We inspected the repairs and maintenance expense codes to confirm that there had been no significant alterations to the existing value and use of assets.
- We checked that the valuation information has been correctly input into the Fixed Asset Register and consequently that the accounting treatment has been recorded appropriately in the Trust’s financial statements.
- We physically verified a sample of land of buildings to confirm that they existed and were in good useable condition.

Our procedures did not identify any significant issues to report.

**How we tailored the audit scope**

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the trust, the accounting processes and controls, and the environment in which the trust operates.

In establishing our overall approach we assessed the risks of material misstatement, taking into account the nature, likelihood and potential magnitude of any misstatement. Following this assessment, we applied professional judgement to determine the extent of testing required over each balance in the financial statements.

### Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

<b>Overall materiality</b>	£3.1m (2016: £3.3m).
<b>How we determined it</b>	2% of revenue (2016: 2% of revenue)
<b>Rationale for benchmark applied</b>	Consistent with last year, we have applied this benchmark, a generally accepted auditing practice, in the absence of indicators that an alternative benchmark would be appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £153,000 (2016: £180,000) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

## Other reporting

### Opinions on other matters prescribed by the Code of Audit Practice

In our opinion:

- the information given in the Performance Report and the Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- the parts of the Remuneration and Staff Reports to be audited have been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2016/17; and

### Arrangements for securing economy, efficiency and effectiveness in the use of resources

Under the Code of Audit Practice we are required to report, by exception, if we conclude we are not satisfied that the Trust has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2017. We have nothing to report as a result of this requirement.

### Other matters on which we report by exception

We are required to report to you if:

- information in the Annual Report is:
  - materially inconsistent with the information in the audited financial statements; or
  - apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Trust acquired in the course of performing our audit; or
  - otherwise misleading.
- the statement given by the directors in section 1.1 of Part C, in accordance with provision C.1.1 of the NHS Foundation Trust Code of Governance, that they consider the Annual Report taken as a whole to be fair, balanced and understandable and provides the information necessary for members to assess the Group and Trust's performance, business model and strategy is materially inconsistent with our knowledge of the Trust acquired in the course of performing our audit.
- the section of the Annual Report on page 109, as required by provision C.3.9 of the NHS Foundation Trust Code of Governance, describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee.
- the Annual Governance Statement does not meet the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2016/17 or is misleading or inconsistent with our knowledge acquired in the

course of performing our audit. We have not considered whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

- we have referred a matter to Monitor under Schedule 10 (6) of the National Health Service Act 2006 because we had reason to believe that the Trust, or a director or officer of the Trust, was about to make, or had made, a decision which involved or would involve the incurring of expenditure that was unlawful, or was about to take, or had taken a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency.
- we have issued a report in the public interest under Schedule 10 (3) of the National Health Service Act 2006.

We have no matters to report in relation to these responsibilities.

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## Respective responsibilities of the Directors and the Auditor

As explained more fully in the Annual Accounts the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view in accordance with the Department of Health Group Accounting Manual 2016/17.

Our responsibility is to audit and express an opinion on the financial statements in accordance with the National Health Service Act 2006, the Code of Audit Practice, and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

The Trust is also responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. We are required under Schedule 10(1) of the National Health Service Act 2006 to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources and to report to you where we have not been able to satisfy ourselves that it has done so. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively. We have undertaken our work in accordance with the Code of Audit Practice, having regard to the criterion determined by the Comptroller and Auditor General as to whether the Trust has proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary.

This report, including the opinions, has been prepared for and only for the Council of Governors of Leeds and York Partnership NHS Foundation Trust as a body in accordance with paragraph 24 of Schedule 7 of the National Health Service Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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### What an audit of financial statements involves

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the trust's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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## Certificate

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We certify that we have completed the audit of the financial statements in accordance with the requirements of Chapter 5 of Part 2 to the National Health Service Act 2006 and the Code of Audit Practice



Ian Looker (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors

Leeds

26<sup>th</sup> May 2017

- (a) The maintenance and integrity of the Leeds and York Partnership NHS Foundation Trust's website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.
- (b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



## SECTION 1.3 – ANNUAL ACCOUNTS

### FOREWORD TO THE ACCOUNTS

#### LEEDS AND YORK PARTNERSHIP NHS FOUNDATION TRUST

Leeds and York Partnership NHS Foundation Trust ('Trust') is required to "keep accounts in such form as NHS Improvement (The Independent Regulator for NHS Foundation Trusts) may with the approval of Treasury direct" (Paragraph 24 (1) Schedule 7 of the National Health Service Act 2006 ('the 2006 Act')). The Trust is required to "prepare in respect of each financial year annual accounts in such form as NHS Improvement may with the approval of the Treasury direct" (Paragraph 25 (1) Schedule 7 to the 2006 Act). In preparing their annual accounts, the Trust must comply with any directions given by NHS Improvement, with the approval of the Treasury, as to the methods and principles according to which the accounts are to be prepared and the information to be given in the accounts (Paragraph 25 (2) Schedule 7 to the 2006 Act). In determining the form and content of the annual accounts NHS Improvement must aim to ensure that the accounts present a true and fair view (Paragraph 25 (3) Schedule 7 to the 2006 Act).

Signed



Date: 25 May 2017

Dr Sara Munro  
**Chief Executive**



<b>STATEMENT OF COMPREHENSIVE INCOME</b>		<b>Year ended 31 March 2017</b>	Year ended 31 March 2016
	note	£000	£000
Operating income	2, 3 & 4	153,332	166,570
Operating expenses	2 & 5	<b>(143,896)</b>	<b>(159,385)</b>
<b>OPERATING SURPLUS</b>		<b>9,436</b>	7,185
<b>FINANCE COSTS</b>			
Finance income	10	130	200
Finance expense - financial liabilities	12	<b>(3,930)</b>	<b>(3,995)</b>
Finance expense - unwinding of discount on provisions	25	<b>(23)</b>	<b>(23)</b>
PDC dividend payable		<b>(423)</b>	<b>(260)</b>
<b>NET FINANCE COSTS</b>		<b>(4,246)</b>	<b>(4,078)</b>
Gains (losses) on disposal of assets	11		<b>(34)</b>
<b>Surplus from operations</b>		<b>5,190</b>	3,073
<b>SURPLUS FOR THE YEAR</b>		<b>5,190</b>	3,073
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to income or expenditure:</b>			
Revaluation gains and (impairment losses) on intangible assets		1	109
Revaluation gains and (impairment losses) on property, plant and equipment		1,593	1,720
<b>Other comprehensive income for the year</b>		<b>1,594</b>	1,829
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>6,784</b>	4,902

The notes on pages 221 to 249 form part of this account.

<b>STATEMENT OF FINANCIAL POSITION AS AT 31 March 2016</b>		<b>Year ended 31 March 2017</b>	Year ended 31 March 2016
	<b>note</b>	<b>£000</b>	<b>£000</b>
<b>Non-current assets</b>			
Intangible assets	13	629	392
Property, plant and equipment	14	50,259	49,152
Trade and other receivables	17	3,937	3,616
<b>Total non-current assets</b>		<b>54,825</b>	<b>53,160</b>
<b>Current assets</b>			
Inventories	16	46	36
Trade and other receivables	17	7,632	7,499
Cash and cash equivalents	18	47,737	45,968
<b>Total current assets</b>		<b>55,415</b>	<b>53,503</b>
<b>Current liabilities</b>			
Trade and other payables	20	(12,253)	(15,606)
Borrowings	21	(1,602)	(1,479)
Provisions	25	(2,732)	(1,026)
Other liabilities	22	(969)	(1,260)
<b>Total current liabilities</b>		<b>(17,556)</b>	<b>(19,371)</b>
<b>Total assets less current liabilities</b>		<b>92,684</b>	<b>87,292</b>
<b>Non-current liabilities</b>			
Borrowings	21	(23,152)	(24,754)
Provisions	25	(2,041)	(1,831)
<b>Total non-current liabilities</b>		<b>(25,193)</b>	<b>(26,585)</b>
<b>Total assets employed</b>		<b>67,491</b>	<b>60,707</b>
<b>Financed by (taxpayers' equity)</b>			
Public dividend capital		19,569	19,569
Revaluation reserve		10,446	9,242
Other reserves		(651)	(651)
Income and expenditure reserve		38,127	32,547
<b>Total taxpayers' equity</b>		<b>67,491</b>	<b>60,707</b>

The notes on pages 221 to 249 form part of this account.

The accounts on pages 217 to 220 were approved by the Board on 25 May 2017 and signed on its behalf by:

Signed:



(Chief Executive)

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY	Public Dividend Capital £000	Revaluation Reserve £000	Other Reserves £000	Income and Expenditure Reserve £000	Total Taxpayers Equity £000
Taxpayers' equity at 1 April 2016	19,569	9,242	(651)	32,547	60,707
Surplus for the year				5,190	5,190
Revaluation gains and impairment losses on intangible assets		1			1
Revaluation gains and impairment losses property, plant and equipment		1,593			1,593
Public dividend capital received					
Transfers to the income and expenditure account in respect of assets disposed of		(3)		3	
Transfer of the excess of current cost depreciation over historical cost depreciation to the Income and Expenditure Reserve		(387)		387	
Movement in year subtotal		1,204		5,580	6,784
<b>Taxpayers' equity at 31 March 2017</b>	19,569	10,446	(651)	38,127	67,491

Leeds and York Partnership NHS Foundation Trust - Annual Accounts 2015/16

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY	Public Dividend Capital £000	Revaluation Reserve £000	Other Reserves £000	Income and Expenditure Reserve £000	Total Taxpayers Equity £000
Taxpayers' equity at 1 April 2015	19,569	7,699	(651)	29,188	55,805
Surplus for the year				3,073	3,073
Revaluation gains and impairment losses on intangible assets		109			109
Revaluation gains and impairment losses property, plant and equipment		1,720			1,720
Public dividend capital received					
Transfers to the income and expenditure account in respect of assets disposed of		(33)		33	
Transfer of the excess of current cost depreciation over historical cost depreciation to the Income and Expenditure Reserve		(253)		253	
Movement in year subtotal		1,543		3,359	4,902
<b>Taxpayers' equity at 31 March 2016</b>	19,569	9,242	(651)	32,547	60,707

#### Description of Reserves:

a) Public dividend capital represents in substance, the Secretary of State for Health's 'equity' investment in the Trust. When the Trust's predecessor NHS Trust was established, the amount of PDC provided to it equated to the initial net assets of the Trust. The PDC balance is usually a constant amount but can change occasionally where the Trust receives additional PDC (usually to fund capital investment) or is asked to repay an element to the Secretary of State.

b) The revaluation reserve is used to record revaluation gains/losses and impairment reversals on property, plant and equipment that are recognised in other comprehensive income. An annual transfer is made from the reserve to retained earnings of amounts representing the excess of current cost depreciation over historic cost depreciation for each item of PPE. When an asset is sold or otherwise disposed of, any remaining revaluation reserve balance for the asset is transferred to Retained Earnings. The balance in the reserve is wholly in respect of property, plant and equipment.

c) Other reserves relates to the write off of an asset which was included in the original NHS Trust's asset base at inception.

d) The Trust's surplus or deficit for the year is recognised in the Income and Expenditure Reserve, together with any other gain or loss for the financial year that is not recognised in any other reserve.

The notes on pages 221 to 249 form part of this account.

<b>STATEMENT OF CASH FLOWS</b>		<b>Year ended 31 March 2017 £000</b>	Year ended 31 March 2016 £000
	note		
<b>Cash flows from operating activities</b>			
Operating surplus from continuing operations		9,436	7,151
<b>Operating surplus</b>		<b>9,436</b>	<b>7,151</b>
<b>Non-cash income and expense:</b>			
Depreciation and amortisation	5	4,081	3,973
Impairments and reversals	14	(352)	(101)
(Increase)/decrease in trade and other receivables	17	(827)	(993)
(Increase)/decrease in inventories	16	(10)	47
Increase/(decrease) in trade and other payables	20	(4,265)	(266)
Increase/(decrease) in other liabilities	22	(291)	(1,576)
Increase/(decrease) in provisions	25	1,893	(676)
Other movements in operating cash flows			34
<b>NET CASH GENERATED FROM OPERATIONS</b>		<b>9,665</b>	<b>7,593</b>
<b>Cash flows from investing activities</b>			
Interest received	10	127	199
Purchase of intangible assets	13	(180)	(149)
Purchase of property, plant and equipment	14	(2,376)	(2,963)
Sales of property, plant and equipment		376	851
<b>Net cash used in investing activities</b>		<b>(2,053)</b>	<b>(2,062)</b>
<b>Adjustment for net assets de-recognised on merger</b>			
<b>Cash flows from financing activities</b>			
Public dividend capital received			
Capital element of finance lease rental payments	21		(882)
Capital element of private finance initiative obligations	21	(1,469)	(1,356)
Interest element of finance lease	12		(34)
Interest element of private finance initiative obligations	12	(3,934)	(3,977)
PDC dividend paid		(440)	(205)
<b>Net cash used in financing activities</b>		<b>(5,843)</b>	<b>(6,454)</b>
<b>Increase/(decrease) in cash and cash equivalents</b>		<b>1,769</b>	<b>(923)</b>
<b>Cash and Cash equivalents at 1 April</b>		<b>45,968</b>	<b>46,891</b>
<b>Cash and Cash equivalents at 31 March</b>		<b>47,737</b>	<b>45,968</b>

<b>Reconciliation of Statement of Financial Position to working balances adjustment in Cash Flow</b>	<b>2016/17 £000s</b>	<b>2015/16 £000s</b>
<b>(Increase)/decrease in receivables as per SOFP</b>	<b>(454)</b>	<b>(1,355)</b>
<b>Adjustments for receivables movements not related to I&amp;E:</b>		
- Increase/(decrease) in capital receivables	(376)	376
- Financing transactions	3	(14)
<b>(Increase)/decrease in receivables adjusted for non-I&amp;E items</b>	<b>(827)</b>	<b>(993)</b>
<b>Increase/(decrease) in payables per SOFP</b>	<b>(3,353)</b>	<b>(1,471)</b>
<b>Adjustments for payables movements not related to I&amp;E:</b>		
- (Increase)/decrease in capital payables	(923)	1,227
- Financing transactions	11	(22)
<b>Increase/(decrease) in payables adjusted for non-I&amp;E items</b>	<b>(4,265)</b>	<b>(266)</b>
<b>Increase/(decrease) in Other Liabilities per SOFP</b>	<b>(291)</b>	<b>(1,576)</b>
<b>Adjustments for Other Liabilities movements not related to I&amp;E:</b>		
Increase/(decrease) in Other Liabilities adjusted for non-I&E items	(291)	(1,576)
Increase/(decrease) in provisions per SOFP	1,916	(653)
<b>Adjustments for provisions movements:</b>		
- Unwinding of discount on provisions	(23)	(23)
<b>Increase/(decrease) in provisions for non I&amp;E items</b>	<b>1,893</b>	<b>(676)</b>
Opening capital payables	(319)	(1,546)
Closing capital payables	(1,242)	(319)
<b>Change in capital payables in-year</b>	<b>(923)</b>	<b>1,227</b>

The notes on pages 221 to 249 form part of this account.

## Notes to the accounts

The principal activity of the Trust is to provide excellent quality mental health and learning disability care that supports people to achieve the very best that they can for their health and wellbeing. The Trust's registered address is 2150 Century Way, Thorpe Park, Leeds LS15 8ZB.

### 1 Accounting policies

NHS Improvement (NHSI), in exercise of the powers conferred on Monitor has directed that the accounts of NHS foundation trusts shall meet the accounting requirements of the Department of Health General Accounting Manual (DH GAM), which shall be agreed with HM Treasury. Consequently, the following accounts have been prepared in accordance with the 2016/17 DH GAM issued by the DH. The accounting policies contained in that manual follow International Financial Reporting Standards (IFRS), in accordance with EU endorsed IFRS and IFRIC, and HM Treasury's Financial Reporting Manual (FRoM) to the extent that they are meaningful and appropriate to NHS Foundation Trusts. The accounting policies have been applied consistently, other than where new policies have been adopted, in dealing with items considered material in relation to the accounts.

In accordance with IAS1, the accounts are prepared on a going concern basis unless management either intends to apply to the Secretary of State for the dissolution of the NHS foundation trust without the transfer of the services to another entity, or has no realistic alternative but to do so.

Where management are aware of material uncertainties in respect of events or conditions that cast significant doubt upon the going concern ability of the NHS foundation trust, these have been disclosed.

#### 1.1 Accounting convention

The accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment and intangible assets. For specialised operational property the modern equivalent asset valuation method has been used.

#### 1.2 Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

#### 1.3 Income recognition

Income is accounted for by applying the accruals convention. The main source of income for Leeds and York Partnership NHS Foundation Trust is from commissioners in respect of healthcare services provided under local agreements (NHS Contracts). Where income is received for a specific activity, which is to be delivered in the following financial year, that income is deferred. Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract.

#### 1.4 Expenditure on employee benefits

##### Short term employee benefits

Salaries, wages and employment related payments are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the accounts to the extent that employees are permitted to carry-forward leave into the following year.

#### 1.5 Pension costs

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at [www.nhsbsa.nhs.uk/pensions](http://www.nhsbsa.nhs.uk/pensions).

Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

Employers pension cost contributions are charged to operating expenses as and when they become due. Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the Trust commits itself to the retirement, regardless of the method of payment.

In order that the defined benefit obligations recognised in the accounts do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FRoM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

## Notes to the accounts - 1. Accounting policies (continued)

### 1.5 Pension costs (continued)

#### a) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the scheme (taking into account its recent demographic experience), and to recommend the contribution rates payable by employers and employees.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012. The Scheme Regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

The next actuarial valuation is to be carried out as at 31 March 2016. This will set the employer contribution rate payable from April 2019 and will consider the cost of the Scheme relative to the employer cost cap. There are provisions in the Public Service Pension Act 2013 to adjust member benefits or contribution rates if the cost of the Scheme changes by more than 2% of pay. Subject to this 'employer cost cap' assessment, any required revisions to member benefits or contribution rates will be determined by the Secretary of State for Health after consultation with the relevant stakeholders.

Employers and employee contribution rates may be varied from time to time, as above, to reflect changes in the scheme's liabilities. In 2016/17 employee contributions are tiered depending on salary and range from 5% to 14.5%. Employer contributions for 2016/17 were 14.3% (14.3% in 2015/16).

#### b) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of scheme liability as at 31 March 2017, is based on valuation data as 31 March 2016, updated to 31 March 2017 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FR&M interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Pension Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

#### c) Scheme provisions

In 2016/17 the NHS pension scheme provided defined benefits, which are summarised below. The list is an illustrative guide only, and is not intended to detail all the benefits provided by the scheme or the specific conditions that must be met before these benefits can be obtained:

##### Annual Pensions

The annual pension under the 1995 section of the scheme is based on 1/80th of the best of the last three years pensionable pay for each year of service and for the 2008 section it is based on 1/60th of reckonable pay per year of membership. Further changes to the scheme came into effect from 1 April 2015, which mean that the scheme is now based on average salary rather than final salary, with an accrual rate of 1/54th.

With effect from 1 April 2008 members can choose to give up some of their annual pension for an additional tax free lump sum, up to a maximum amount permitted under HMRC rules. This is known as pension commutation.

Members who are practitioners as defined by the scheme regulations have their annual pensions based upon total pensionable earnings over the relevant pensionable service.

##### Pensions Indexation

Annual increases are applied to pension payments at rates defined by the Pensions (Increase) Act 1971, and were based on changes in retail prices in the twelve months ending 30 September in the previous calendar year. From 2011/12 the Consumer Price Index (CPI) has been used instead of the Retail Prices Index (RPI).

##### Ill-health retirement

Early payment of a pension, with enhancement in certain circumstances, is available to members of the scheme who are permanently incapable of fulfilling their duties effectively through illness or infirmity.

##### Death benefits

A death gratuity of twice final year's pensionable pay for death in service, and five times their annual pension for death after retirement is payable.

## Notes to the accounts - 1. Accounting policies (continued)

### 1.5 Pension costs (continued)

#### **Additional voluntary contributions (AVCs)**

Members can purchase additional service in the NHS pension scheme and contribute to money purchase AVC's run by the scheme's approved providers or by other free standing additional voluntary contribution (FSAVC) providers.

#### **Transfer between funds**

Scheme members have the option to transfer their pension between the NHS pension scheme and another scheme when they move into or out of NHS employment.

#### **Preserved benefits**

Where a scheme member ceases NHS employment with more than two years service, they can preserve their accrued NHS pension for payment when they reach retirement age.

### 1.5.1 Alternative pension scheme

From 1 August 2013 (deferred to 1 October 2013), Leeds and York Partnership NHS Foundation Trust offers an alternative pension scheme to all employees who are not eligible to be members of the NHS pension scheme at the Trust. This includes employees who are members of the NHS pension scheme through another role outside of the Trust and those that are not eligible to join the NHS pension scheme.

Every three years all eligible employees are auto-enrolled in either the NHS or alternative pension scheme. The auto-enrolment exercise was carried out in October 2016 and following this process, all employees who meet the criteria for the alternative pension scheme are enrolled each month on a continuous basis, unless they specifically opt out.

The alternative pension scheme is a defined contribution scheme operated by the National Employment Savings Trust (NEST). Employee and employer contribution rates are both currently 1% (a combined minimum of 2%). From October 2017 the combined contribution rate will increase to 5% (with a minimum 2% being contributed by the Trust) and from October 2018 the combined contribution rate will be 8% (with a minimum 3% being contributed by the Trust).

### 1.6 Expenditure on goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

### 1.6.1 Property, plant and equipment Recognition

Property, plant and equipment is capitalised if:

- it is held for use in delivering services or for administrative purposes;
  - it is probable that future economic benefits will flow to, or service potential will be supplied to, the Leeds and York Partnership NHS Foundation Trust;
  - it is expected to be used for more than one financial year;
  - the cost of the item can be measured reliably;
- and if any of the following apply:
- the item has cost of at least £5,000;
  - collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
  - items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

The finance costs of bringing property, plant and equipment into use are not capitalised.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

Any lease which does not meet the requirements of IAS 17 are assumed to be operating leases.

## Notes to the accounts - 1. Accounting policies (continued)

### 1.6.2 Measurement

#### Valuation

All property, plant and equipment are measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

Land and buildings used for the Trust's purposes are stated in the Statement of Financial Position at their revalued amounts being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. In accordance with IFRS and NHS policy, a full revaluation is performed at least every five years, with an interim revaluation in the third year after the full revaluation. An impairment review is undertaken in all other years. The Trust believes that this is sufficiently regular to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Fair values are determined as follows:

- Land and non-specialised buildings – market value for existing use;
- Specialised buildings – depreciated replacement cost based on providing a modern equivalent asset;
- Non-operational land and buildings – fair value based on alternative use.

Professional valuations are carried out by the District Valuers of the Revenue and Customs Government Department. These valuations are carried out in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation manual. A valuation was last undertaken as at 31 March 2017 and in the current year the assets were reviewed for impairment using the Modern Equivalent Asset (MEA) method as appropriate.

Plant and equipment assets were last indexed using the latest available Consumer Price Indices (CPI), being for February 2016, as issued by the Office for National Statistics.

### 1.6.3 Subsequent expenditure

Expenditure after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the Statement of Comprehensive Income in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits or service potential expected to be obtained from the use of an item of property, plant and equipment, and where the cost can be measured reliably, the expenditure is capitalised as an additional cost of that asset or as a replacement. The carrying amount of the part replaced is de-recognised.

### 1.6.4 Depreciation

Items of property, plant and equipment are depreciated, using the straight line method, over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits.

Freehold land is considered to have an indefinite life and is not depreciated.

Property, plant and equipment, which has been reclassified as 'held for sale' ceases to be depreciated upon reclassification. Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the Trust, respectively.

The useful economic lives of property, plant and equipment are estimated by Leeds and York Partnership NHS Foundation Trust as follows:

#### Plant and machinery

- |   |          |
|---|----------|
| • Short life engineering plant and equipment  | 5 years  |
| • Medium life engineering plant and equipment | 10 years |
| • Long life engineering plant and equipment   | 15 years |
| • Short life medical and other equipment      | 5 years  |
| • Medium life medical equipment               | 10 years |
| • Long life medical equipment                 | 15 years |

#### Transport

- |            |         |
|------------|---------|
| • Vehicles | 7 years |
|------------|---------|

#### Furniture and fittings

- |             |          |
|-------------|----------|
| • Furniture | 10 years |
|-------------|----------|

#### Information technology

- |                                   |         |
|-----------------------------------|---------|
| • Office and IT equipment         | 5 years |
| • Mainframe type IT installations | 8 years |

Buildings, installations and fittings are depreciated on their current value over the estimated remaining life of the asset as assessed by the Trust's professional independent valuers. The assessed lives of the individual building elements vary from a minimum of 5 years to a maximum of 188 years. Leaseholds are depreciated over the primary lease term.

Equipment is depreciated on current cost evenly over the estimated life of the asset.

## Notes to the accounts - 1. Accounting policies (continued)

### 1.6.4 Depreciation (continued)

The estimated useful life of an asset is the period over which the Trust expects to obtain economic benefits or service potential from it. This period is specific to the foundation trust and may be shorter than the physical life of the asset itself.

Assets held under finance leases (including leased land) are depreciated over the shorter of their estimated useful economic lives or the lease period. Where the Trust will, or is reasonably certain to, acquire ownership of the asset at the end of the lease, the asset is depreciated over its useful economic life.

Property, plant and equipment that has been reclassified as 'held for sale' ceases to be depreciated following reclassification.

Assets in the course of construction are not depreciated until the asset is brought into use.

Estimated useful lives and residual values are reviewed each year end, with the effects of any changes recognised on a prospective basis.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

At the end of each reporting period, a transfer is made from the revaluation reserve to the income and expenditure reserve, in respect of the difference between the depreciation expense on the revalued asset and the depreciation expense based on the assets historic cost carrying value.

### 1.6.5 Revaluation and Impairment

Increases in asset values arising from revaluations are taken to the revaluation reserve except where, and to the extent they, reverse an impairment for the same asset previously recognised in operating expenses. In this case they are recognised in operating income.

Impairments, that arise from a loss of economic benefit or service potential, are charged to operating expenses in the period that they occur. At the period end, a transfer is made from the revaluation reserve to the income and expenditure reserve for the amount of the impairment (or the remaining balance in the revaluation reserve relating to the asset if this is a lower amount).

Decreases in asset values and all other impairments are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter, are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of "other comprehensive income".

At each reporting period end, the Trust checks whether there is any indication that any of its property, plant or equipment has suffered an impairment loss. If there is an indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount.

### 1.6.6 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

Assets intended for disposal are reclassified as 'held for sale' once all of the following criteria are met:

- the asset is available for immediate sale in its present condition subject only to terms, which are usual and customary for such sales;
- the sale must be highly probable, i.e. management are committed to a plan to sell the asset; an active programme has begun to find a buyer and complete the sale; the asset is being actively marketed at a reasonable price; the sale is expected to be completed within 12 months of the date of classification as 'held for sale'; and the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Fair value is open market value including alternative uses. Depreciation ceases to be charged and the assets are not revalued, except where the 'fair value less costs to sell' falls below the carrying amount.

Assets are de-recognised when all material sale contract conditions have been met. The non-current assets held for sale are identified in note 19.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the Statement of Comprehensive Income. On disposal, the balance for the asset in the revaluation reserve is transferred to the income and expenditure reserve.

Property, plant and equipment, which is to be scrapped or demolished, does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's economic life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

## Notes to the accounts - 1. Accounting policies (continued)

### 1.7 Private Finance Initiative (PFI) transactions

PFI transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's FReM, are accounted for as 'on-Statement of Financial position' by the Trust. The underlying assets are recognised as property, plant and equipment at their fair value. An equivalent financial liability is recognised in accordance with IAS 17.

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:

- a) Payment for the fair value of services received (including lifecycle costs);
- b) Payment for the PFI asset, comprising finance costs and the repayment of the liability; and
- c) Operating lease for the land.

#### a) Services received

The fair value of service received in the year is recorded under the relevant expenditure heading within operating expenses.

Leeds and York Partnership NHS Foundation Trust has adopted the approach that we incur the lifecycle costs evenly over the contract period as part of the unitary payment. This is due to the nature of the costs involved.

#### b) PFI assets and finance costs

The PFI assets are recognised as property, plant and equipment, when they come into use. The assets are measured initially at cost to the PFI Provider but then revalued to 'fair value' by the District Valuer in accordance with the principles of IAS 17. Subsequently, the assets are measured at fair value, which is kept up to date in accordance with the Trust's approach for each relevant class of asset in accordance with the principles of IAS 16.

An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period, and is charged to "finance costs" within the Statement of Comprehensive Income. Contingent rent due to inflationary increases in the unitary payment is also included in the finance cost.

The minimum lease payments of the finance lease component are split between the repayment of the liability and a finance cost so as to produce a constant rate of finance over the life of the lease. The finance cost for each year is then calculated by applying this finance rate to the opening lease liability for the financial year. The finance cost is recognised in 'finance costs' in the Statement of Comprehensive Income.

An element of the annual unitary payment increase due to cumulative indexation is allocated to the finance lease. In accordance with IAS 17, this amount is not included in the minimum lease payments, but is instead treated as contingent rent and is expensed as incurred. In substance, this amount is a finance cost in respect of the liability and the expense is presented as part of the PFI Operating Expenses in the Statement of Comprehensive Income.

#### c) Operating lease for the land

The land, which the PFI building is built on, is classified as an operating lease in accordance with IAS 17.

#### Assets contributed by the Trust to the operator for use in the scheme

Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the Trusts Statement of Financial Position.

#### Other assets contributed by the Trust to the operator

Assets contributed, eg cash payments and surplus property, by the Trust to the operator before the asset is brought into use, which are intended to defray the operator's capital costs, are recognised initially as prepayments during the construction phase of the contract. Subsequently, when the asset is made available, the prepayment is treated as an initial payment towards the finance lease liability and is set against the carrying value of the liability.

Leeds and York Partnership NHS Foundation Trust did make an initial 'bullet' payment of cash upfront of £5.4m. This was off set against the initial liability (based on the fair value cost of the building less the £5.4m).

## Notes to the accounts - 1. Accounting policies (continued)

### 1.8 Intangible Assets

#### 1.8.1 Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of being sold separately from the rest of the Trust's business or which arise from contractual or other legal rights. The Trust holds software licences as intangible assets. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the Trust and where the cost of the asset can be measured reliably. Where internally generated assets are held for service potential, this involves a direct contribution to the delivery of services to the public.

Purchased computer software licences are capitalised as intangible non-current assets where expenditure of at least £5,000 is incurred. They are amortised over the shorter of the term of the licence and their useful economic lives, currently between 3 and 10 years depending on the software licence.

#### 1.8.2 Internally generated intangible assets

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised.

Expenditure on development is capitalised only where all of the following can be demonstrated:

- the project is technically feasible to the point of completion and will result in an internally generated intangible asset for sale or use;
- the Trust intends to complete the asset and sell or use it;
- the Trust has the ability to sell or use the asset;
- how the intangible asset will generate probable future economic or service delivery benefits, eg the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset;
- adequate financial, technical and other resources are available to the Trust to complete the development and sell or use the asset; and
- the Trust can measure reliably the expenses attributable to the asset during development.

#### 1.8.3 Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management. Subsequent intangible assets are measured at fair value. Revaluation gains, losses and impairments are treated in the same manner as for property, plant and equipment, see notes 1.6.2 and 1.6.5.

#### 1.8.4 Amortisation

Intangible assets are amortised on a straight line basis over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. Amortisation is recognised in the Statement of Comprehensive Income.

### 1.9 Inventories

Inventories are valued at the lower of cost and net realisable value, using the first in - first out cost formula. Inventories are identified in note 16. The Trust's inventories do not include drugs, but comprise stationery, oil and other work stores.

### 1.10 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, balances with banks and investments. Cash and bank balances are recorded at the current values of these balances in the Trust's cash book. These balances exclude monies held in the Leeds and York Partnership NHS Foundation Trust's bank account belonging to patients (see "third party assets" below). Interest earned on bank accounts is recorded as "interest receivable" in the period to which it relates. Bank charges are recorded as operating expenditure in the periods to which they relate.

### 1.11 Provisions

Leeds and York Partnership NHS Foundation Trust provides for present legal or constructive obligations that are of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rate in real terms. The discount rate for early retirement and injury benefit provisions (both use the HM Treasury's pension discount rate) is 0.24% (1.37% in 2015/16) in real terms. The discount rate for other provisions from 2016/17 varies depending on the timing of the liability from -2.7% (up to 5 years), -1.95% (5 - 10 years) and -0.8% over 10 years (in 2015/16 the discount rates were -1.55%, -1% and -0.8% respectively).

## Notes to the accounts - 1. Accounting policies (continued)

### 1.11 Provisions (continued)

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party; the receivable is recorded as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

#### Clinical negligence costs

From 1 April 2000, the NHS Litigation Authority (NHSLA) took over full financial responsibility for all Existing Liabilities Scheme (ELS) cases unsettled at that date and from 1 April 2002 all Clinical Negligence Scheme for Trusts (CNST) cases. Provisions for these are included in the accounts of the NHSLA. Although the NHSLA is administratively responsible for all cases from 1 April 2000, the legal liability remains with the Trust.

The NHSLA operates a risk pooling scheme under which the NHS Foundation Trust pays an annual contribution to the NHSLA, which, in return, settles all clinical negligence claims. Leeds and York Partnership NHS Foundation Trust does not include any amounts in its accounts relating to these cases. The total value of clinical negligence provisions carried by the NHSLA on behalf of the Trust is disclosed at note 25.

#### Non-clinical risk pooling

Leeds and York Partnership NHS Foundation Trust participates in the Property Expenses Scheme (PES) and the Liabilities to Third Parties Scheme (LTPS). Both are risk pooling schemes under which the Trust pays an annual contribution to the NHSLA and in return receives assistance with the costs of claims arising. The annual membership contributions, and any 'excesses' payable in respect of particular claims are charged to operating expenses when the liability arises; these are the only amounts included in the accounts of the Leeds and York Partnership NHS Foundation Trust.

### 1.12 Contingencies

Contingent assets, ie assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control, are not recognised as assets, but are disclosed in note 26 where an inflow of economic benefits is probable.

Contingent liabilities are provided for where a transfer of economic benefits is possible. Otherwise, they are not recognised, but are disclosed in note 26 unless the probability of a transfer of economic benefits is remote. Contingent liabilities are defined as:

- possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control, or
- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

### 1.13 Value added tax (VAT)

Most of the activities of Leeds and York Partnership NHS Foundation Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

### 1.14 Corporation tax

Leeds and York Partnership NHS Foundation Trust is a Health Service Body within the meaning of s519A ICTA 1988 and accordingly is exempt from taxation in respect of income and capital gains within categories covered by this. There is a power for HM Treasury to disapply the exemption in relation to specified activities of a Foundation Trust (s519A (3) to (8) ICTA 1988). Accordingly, the Trust is potentially within the scope of corporation tax in respect of activities, which are not related to, or ancillary to, the provision of healthcare. Until the exemption is disappplied, the foundation trust has no corporation tax liability.

## Notes to the accounts - 1. Accounting policies (continued)

### 1.15 Foreign exchange

The functional and presentational currency of the Trust is sterling.

Transactions that are denominated in a foreign currency are converted into sterling at the exchange rate ruling on the date of each transaction. Gains and losses that result are taken to the Statement of Comprehensive Income.

### 1.16 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since Leeds and York Partnership NHS Foundation Trust has no beneficial interest in them. However, they are disclosed in a separate note to the accounts, note 30, in accordance with the requirements of the HM Treasury FReM.

### 1.17 Leases

#### Finance leases

Where substantially all the risks and rewards of ownership of a leased asset are borne by Leeds and York Partnership NHS Foundation Trust, the asset is recorded as property, plant and equipment and a corresponding liability is also recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted by the interest rate implicit in the lease. The implicit rate is that which discounts the minimum lease payments and any unguaranteed residual interest to the fair value of the asset at the inception of the lease.

The asset and liability are recognised as property, plant and equipment at the inception of the lease and de-recognised when the liability is discharged, cancelled or expires.

The annual rental is split between the repayment of the liability and a finance cost so as to produce a constant rate of finance over the life of the lease. The finance cost for each financial year is calculated by applying this finance rate to the opening lease liability for the financial year. The finance cost is recognised in the Statement of Comprehensive Income.

Contingent rentals are recognised as an expense in the period in which they are incurred. The liability is de-recognised when the liability is discharged, cancelled or expires.

#### Operating leases

Other leases are regarded as operating leases and the rentals are charged to operating expenses on a straight-line basis over the term of the lease. Operating lease incentives received are added to the lease rentals and charged to operating expenses over the life of the lease.

Contingent rentals are recognised as an expense in the period in which they are incurred.

#### Leases of land and buildings

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately. Leased land, in the PFI, is treated as an operating lease.

### 1.18 Public dividend capital (PDC) and PDC dividend

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the original NHS Trust.

HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

A charge, reflecting the cost of capital utilised by Leeds and York Partnership NHS Foundation Trust, is paid over as PDC dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for donated assets and the average daily balance of cash held with the Government Banking Service, the National Loans Fund and PDC receivable/payable. Average relevant net assets are calculated as a simple mean of opening and closing relevant net assets.

In accordance with the requirements laid down by the Secretary of State (as the issuer of PDC) the dividend for the year is calculated on the actual average relevant net assets as set out in the pre-audit version of the accounts. The dividend is not revised should any adjustment to net assets occur as a result of the audit of the accounts.

## Notes to the accounts - 1. Accounting policies (continued)

### 1.19 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the Health Service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way each individual case is handled.

Losses and special payments are charged to the relevant functional headings in the Statement of Comprehensive Income on an accruals basis, including losses, which would have been made good through insurance cover had NHS foundation trust's not been bearing their own risks (with any insurance premiums being included as normal revenue expenditure). Note 31 is compiled directly from the losses and special payments register which is prepared, as per the DH GAM, on an accruals basis (with the exception of provisions for future losses).

### 1.20 Financial Instruments and financial liabilities

#### Recognition

Financial assets and financial liabilities which arise from contracts for the purchase and sale of non-financial items (such as goods or services), which are entered into in accordance with Leeds and York Partnership NHS Foundation Trust's normal purchase, sale or usage requirements, are recognised when, and to the extent which, performance occurs ie, when receipt or delivery of the goods or services is made.

Financial assets and financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policies for leases.

All other financial assets and financial liabilities are recognised when Leeds and York Partnership NHS Foundation Trust becomes a party to the contractual provisions of the instrument.

#### Derecognition

All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or Leeds and York Partnership NHS Foundation Trust has transferred substantially all of the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

#### Classification and Measurement

Financial assets are categorised as 'loans and receivables' and financial liabilities are classified as 'other financial liabilities'.

#### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments, which are not quoted in an active market, and are included in current assets.

Leeds and York Partnership NHS Foundation Trust's loans and receivables comprise: current investments, cash at bank and in hand, NHS receivables and other receivables.

Loans and receivables are recognised initially at fair value, net of transaction costs, and are measured subsequently at amortised cost, using the effective interest method. The effective interest rate is the rate that discounts exactly, the estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

#### Other financial liabilities

Other financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest method. The effective interest rate is the rate that discounts exactly, the estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability. They are included in current liabilities except for amounts payable more than 12 months after the Statement of Financial Position date, which are classified as long-term liabilities. Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to finance costs. Interest on financial liabilities taken out to finance property, plant and equipment or intangible assets is not capitalised as part of the cost of those assets.

#### Impairment of financial assets

At the Statement of Financial Position date, Leeds and York Partnership NHS Foundation Trust assesses whether any financial assets, other than those held at 'fair value through income and expenditure' are impaired. Financial assets are impaired and impairment losses are recognised if, and only if, there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the income and expenditure account and the carrying amount of the asset is reduced through the use of a bad debt provision.

## Notes to the accounts - 1. Accounting policies (continued)

### 1.21 Accounting standards that have been issued but have not yet been adopted

#### a) IASB standard and IFRIC interpretations

Under paragraph 30 of IAS 8, entities need to disclose any new IFRSs that are issued but not yet effective and that are likely to impact the entity.

The following accounting standards have been issued but have not yet been adopted. The Trust cannot adopt new standards unless they have been adopted in the DH GAM. The DH GAM generally does not adopt an international standard until it has been endorsed by the European Union for use by listed companies. In some cases, the standards may be interpreted in the DH GAM and therefore may not be adopted in their original form. The analysis below describes the anticipated timetable for implementation and the likely impact on the assumption that no interpretations are applied in the DH GAM.

Annual improvements to IFRS: 2012-2015 cycle

This was published in September 2014 but has not yet been adopted by the EU. It is expected to be effective from the 2017/18 financial year.

IFRS 9, Financial instruments – classification and measurement

This standard replaces IAS 39, Financial instruments: recognition and measurement. IFRS 9 requires financial assets to be classified into two measurement categories: those measured at fair value and those measured at amortised cost.

The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. For liabilities, the standard retains most of the requirements of IAS 39. Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by the FReM: early adoption is not therefore permitted

IFRS 14, Regulatory Deferral Accounts

Not yet EU-endorsed. Applies to first time adopters of IFRS after 1 January 2016. Therefore not applicable to DH group bodies.

IFRS 15, revenue from contracts with customers

Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by the FReM: early adoption is not therefore permitted

IFRS 16, Leases

Application required for accounting periods beginning on or after 1 January 2019, but not yet adopted by the FReM: early adoption is not therefore permitted

#### b) Government Financial Reporting Manual (FReM) changes

In preparing the DH GAM, the Department of Health must take account of the requirements of the Government FReM issued by HM Treasury. In some cases, where there is a compelling reason, HM Treasury may grant permission not to adopt a change to the FReM in the DH GAM.

#### c) Other changes

From 2013/14 the exemption applicable to NHS FTs from consolidating NHS charitable funds that they control has been removed. The effect on Leeds and York Partnership NHS Foundation Trust is the need to consider whether charitable fund income, expenditure, assets, liabilities and reserves should be consolidated within the Trusts main accounts. Income and expenditure between the Trust and the charitable fund would be eliminated on consolidation. Further details are included in note 1.25 - Charitable Funds.

## Notes to the accounts - 1. Accounting policies (continued)

### 1.22 Accounting standards issued that have been adopted early by Leeds and York Partnership NHS Foundation Trust

No new accounting standards or revisions to existing standards have been adopted early in 2016/17.

### 1.23 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Trust's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates as the estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

### 1.24 Private patient income cap

Previously, NHS Foundation Trusts were required to disclose private patient income where this exceeded the amount specified. This disclosure is no longer required.

### 1.25 Charitable funds

Under IAS 27 (revised) Leeds and York Partnership NHS Foundation Trust is required to consolidate any Charitable Funds that meet the definition of a subsidiary contained in the standard. HM Treasury has previously granted dispensation to NHS FT organisations in this respect, however this dispensation ended in 2013/14. Leeds and York Partnership NHS Foundation Trust has therefore considered the need to consolidate Charitable Funds within the main Trust accounts and concluded, although the Trust continues to meet the criteria within the accounting standard, the value of the Charitable Fund is not material and will not therefore be consolidated within the Trusts main accounts.

IAS 27 (revised) also requires specific disclosures to be included in the accounts. The dispensation previously granted did not include the requirement for appropriate disclosure and consequently note 33 - Charitable funds, continues to be included in the Trusts accounts in compliance with these disclosure requirements.

### 1.26 Transfer of services

Where the Trust transfers a function to, or receives a function from another entity within the Whole of Government Accounts boundary this represents a "machinery of government change" regardless of the mechanism used to effect the combination, eg, statutory merger or purchase of the business.

The Trust will normally account for a machinery of government change as a transfer by absorption. This includes all transfers of functions involving other bodies within the Department of Health's Resource Accounting Boundary and transfers of functions involving local government bodies.

## Notes to the accounts

### 2 Operating segments

Leeds and York Partnership NHS Foundation Trust (LYPFT) provides mental health and learning disability services across the city of Leeds. Specialist services, e.g. Forensics, Eating Disorders, CAHMS, Liaison and Perinatal, commissioned by NHS England are also provided by LYPFT in Leeds, York and North Yorkshire.

The majority of Trust income (by value) is on a block basis. The Trust contracted with Leeds Clinical Commissioning Groups (CCGs) for 61% of its income (55% in 2015/16). The Trust also had contracts with NHS England, Health Education England and Local Authorities for the provision of clinical services and education training services.

Two operating segments are reported below. The operating segments are care services and hosted services. The hosted services segment includes the Commercial Procurement Collaborative (CPC), Research & Development, and the Northern School of Child & Adolescent Psychotherapy.

The reportable segments are those used by the Trust's Board and management (the 'Chief Operating Decision Maker' as defined in IFRS 8, Operating Segments) to run the business and are based on the directorate level split of the mental healthcare services offered. Segment information is presented on the same basis as that used for internal reporting purposes. The surplus or deficit for each segment is used to inform the Board of Directors on performance and to assist in negotiations with commissioners on the cost and resources needed to maintain services at a level consistent with the need of the population.

Further detail of each directorate can be found in the Annual Report of the Trust.

	Care Services		Hosted Services		Total	
	Year ended 31 March 2017 £000	Year ended 31 March 2016 £000	Year ended 31 March 2017 £000	Year ended 31 March 2016 £000	Year ended 31 March 2017 £000	Year ended 31 March 2016 £000
	<b>Income by segment</b>					
Income from activities	128,967	144,694			128,967	144,694
Other operating income	16,976	15,137	7,389	6,739	24,365	21,876
<b>TOTAL INCOME</b>	<b>145,943</b>	<b>159,831</b>	<b>7,388</b>	<b>6,739</b>	<b>153,332</b>	<b>166,570</b>
<b>TOTAL EXPENDITURE</b>	<b>(136,724)</b>	<b>(153,363)</b>	<b>(7,172)</b>	<b>(6,022)</b>	<b>(143,896)</b>	<b>(159,385)</b>
<b>Operating surplus</b>	<b>9,220</b>	<b>6,468</b>	<b>216</b>	<b>717</b>	<b>9,436</b>	<b>7,185</b>
<b>Non Operating Income and Expenditure Total</b>	<b>(4,248)</b>	<b>(4,119)</b>	<b>2</b>	<b>7</b>	<b>(4,246)</b>	<b>(4,112)</b>
<b>Surplus/(Deficit) from continuing operations</b>	<b>4,971</b>	<b>2,349</b>	<b>219</b>	<b>724</b>	<b>5,190</b>	<b>3,073</b>

a) Income includes £137m (£151m in 2015/16) from NHS organisations (primarily £95m from Leeds CCGs and £28m from NHS England).

b) Expenditure includes employee expenses £106,372k (£118,224k in 2015/16), premises £4,503k (£6,257k in 2015/16), depreciation and amortisation £4,081k (£3,973k in 2015/16) and establishment £1,877k (£1,885k in 2015/16).

3 Revenue from patient care activities	Year ended 31 March 2017 £000	Year ended 31 March 2016 £000
	NHS Trusts	
Clinical Commissioning Groups and NHS England	120,385	135,204
Foundation Trusts	325	354
Local Authorities	45	1,341
NHS other		
Non-NHS:		
Income for social care clients	7,897	7,778
Other	315	17
<b>Total revenue from patient care activities</b>	<b>128,967</b>	<b>144,694</b>

Leeds and York Partnership NHS Foundation Trust participates in a pooled budget arrangement with Leeds CCGs and Leeds City Council as a provider of services. As a provider of healthcare services, Leeds and York Partnership NHS Foundation Trust does not make contributions to the pool, but receives funding from the pool to provide some of its services for people with learning disabilities.

All income from patient care activities is classed as commissioner requested services (CRS).

## Notes to the accounts

	Year ended 31 March 2017 £000	Year ended 31 March 2016 £000
<b>4 Other operating revenue</b>		
Research and development	1,061	593
Education and training	4,077	4,268
Non-patient care services to other bodies	1,297	1,293
Sustainability and transformation fund	2,307	
Other income:		
Inter NHS Foundation Trust	2,940	3,031
Inter NHS Trust	1,362	1,244
Inter RAB	4,648	5,025
Inter Other WGA bodies	193	295
Other (outside WGA)	5,708	5,356
Income in respect of staff costs where accounted on gross basis	772	771
<b>Total Other Operating Revenue</b>	<b>24,365</b>	<b>21,876</b>

	Year ended 31 March 2017 £000	Year ended 31 March 2016 £000
<b>5 Operating expenses</b>		
Services from Foundation Trusts	210	534
Services from other NHS Trusts	776	813
Purchase of healthcare from non NHS bodies	4,650	6,503
Purchase of Social Care (s75 arrangements)	468	617
Employee expenses - Executive Directors	824	893
Employee expenses - Non Executive Directors' costs	188	191
Employee expenses - Staff	105,548	117,331
Drugs costs	2,294	2,298
Supplies and services - clinical (excluding drugs)	956	1,182
Supplies and services - general	7,929	7,979
Establishment	1,877	1,885
Research and development	1,262	741
Transport (business travel only)	1,061	1,201
Transport	586	693
Premises - business rates payable to local authorities	818	815
Premises - other	3,685	5,442
Increase/(decrease) in provision for impairment of receivables	336	(80)
Change in provisions discount rate(s)	131	(8)
Rentals under operating leases - minimum lease payments	1,648	1,881
Depreciation on property, plant and equipment	3,940	3,856
Amortisation of intangible assets	141	117
Impairments (reversals) of property, plant and equipment	(384)	(104)
Impairments (reversals) of intangible assets	32	3
Audit fees - statutory audit	60	60
Other audit remuneration	16	15
Clinical negligence	217	185
Legal fees	513	417
Consultancy services	181	259
Internal audit costs - not included in employee expenses	87	98
Training, courses and conferences	944	1,250
Patient's travel	16	17
Car parking & security	143	141
Redundancy	1,754	495
Early retirement	20	9
Insurance	261	221
Losses, ex-gratia and special payments	61	45
Other	647	1,390
<b>Total operating expenses</b>	<b>143,896</b>	<b>159,385</b>

Services commissioned by the Vale of York Clinical Commissioning Group transferred from the Trust on 30 September 2015 and the part year effect of this transfer is reflected in the 2015/16 figures above. The most significant operating expense impact was in relation to employee expenses (staff), which decreased by £11,783k.

£4,650k of expenditure categorised as purchase of healthcare from non NHS bodies relates to payments to private sector healthcare providers, (£6,503k in 2015/16).

Supplies and services (general) and rentals under operating leases includes £6,682k (£6,300k and £382k respectively) in relation to PFI costs (£6,616k in 2015/16). The charges to supplies and service (general) are the monthly service charge payments to the operator of the PFI scheme to which Leeds and York Partnership NHS Foundation Trust is party (see note 24).

Details of the Directors' remuneration can be found in Section 2.4 of the annual report.

## Notes to the accounts - 5. Operating expenses (continued)

### 5.1 Auditors remuneration

The Board of Governors appointed PricewaterhouseCoopers LLP (PwC) as external auditors of the Foundation Trust for the three year period commencing 1 June 2014, with an option to extend for up to two further years. The statutory audit fee was £50k (£50k in 2015/16) excluding value added tax. This was the fee for an audit in accordance with the Audit Code issued by Monitor as updated in December 2014. Other audit remuneration was for audit related assurance services relating to the Quality Report £9k (£9k in 2015/16) and non audit services relating to screening checks carried out for board members and new appointments.

	Year ended 31 March 2017 £000	Year ended 31 March 2016 £000
Financial Audit including enhanced audit reporting	50	50
Other audit remuneration - audit related assurance services (Quality report)	9	9
Other audit remuneration - non-audit services	5	3
<b>Total</b>	<b>64</b>	<b>62</b>

The external auditors liability is limited to £1m, excluding death or personal injury caused by that persons negligence, that persons fraud or anything else that cannot by law be limited.

## 6 Operating leases

### 6.1 As lessee

23% (by value) of the leasing arrangements are made up of rental of the land under the PFI Schemes/finance leases. The contract end dates for 'Equitix' and 'Revival' properties are July 2028 and May 2015 respectively. Other leases are for buildings, vehicles and other equipment.

The Revival property is for the land at a community unit, Millside, for inpatient and day care for adults with severe mental illness together with a base for a community mental health team. The scheme started in September 1998 and concluded on 31 May 2015.

The Equitix contract is for the seven mental health units, Becklin Centre, Newsam Centre, The Mount, Asket Croft, Asket House, Parkside Lodge and Little Woodhouse Hall, providing a comprehensive range of mental health services. The first unit opened in December 2001 and the last unit opened in February 2003. The contract end date is July 2028.

Other building leases include a 5 year lease on Trust headquarters at Thorpe Park (the break clause in the previous 15 year lease was activated and a new 5 year lease agreed from June 2014) and other non specialised properties used for clinical purposes. Vehicle leases are for cars supplied to qualifying staff under a vehicle lease scheme. Other equipment leases are mainly for photocopy equipment in the various Trust properties.

	Year ended 31 March 2017 £000	Year ended 31 March 2016 £000
<b>Payments recognised as an expense</b>		
Minimum lease payments	1,648	1,881
Sub-lease payments	<u>1,648</u>	<u>1,881</u>
	<b>Year ended 31 March 2017 £000</b>	<b>Year ended 31 March 2016 £000</b>
<b>Total future minimum lease payments</b>		
Payable:		
Not later than one year	1,458	1,256
Between one and five years	2,007	1,964
After 5 years	2,509	2,774
<b>Total</b>	<b>5,974</b>	<b>5,994</b>

## Notes to the accounts

### 7 Employee costs and numbers

#### 7.1 Employee costs

	Year Ended 31 March 2017			Year Ended 31 March 2016		
	Total	Permanently Employed	Other	Total	Permanently Employed	Other
	£000	£000	£000	£000	£000	£000
Salaries and wages	84,160	75,395	8,764	93,295	85,102	8,193
Social security costs	7,581	7,581		6,738	6,738	
Employer contributions to NHS pension scheme	10,405	10,405		11,754	11,754	
Agency staff	4,791		4,791	7,000		7,000
<b>Employee benefits expense</b>	<b>106,937</b>	<b>93,382</b>	<b>13,555</b>	<b>118,787</b>	<b>103,594</b>	<b>15,193</b>

There were no employee benefits paid in the year ended 2016/17 (£nil in 2015/16)

#### In addition to the above:

Charged to capital		
Recharged income	(565)	(563)
<b>Total employee costs</b>	<b>106,372</b>	<b>118,224</b>

Full details of the Directors' remuneration can be found in section 2.4 of the Annual Report, of which a summarised version is given below.

The disclosures required under the Hutton report can also be found in section 2.4 of the Annual Report.

	Year ended	Year ended 31
	31 March 2017	March 2016
	£000	£000
<b>Directors' remuneration</b>		
Aggregate emoluments to Executive Directors	721	755
Remuneration of Non-Executive Directors	188	191
Pension cost	103	102
	<b>1,012</b>	<b>1,048</b>

Remuneration of Non-Executives include MH Act Managers £61k (£70k in 2015/16).

#### 7.2 Monthly average number of people employed (wte)

	Year Ended 31 March 2017			Year Ended 31 March 2016		
	Total	Permanently Employed	Other	Total	Permanently Employed	Other
	Number	Number	Number	Number	Number	Number
Medical and dental	182	161	21	184	176	8
Administration and estates	551	550	1	619	619	
Healthcare assistants and other support staff	583	583		677	677	
Nursing, midwifery and health visiting staff	682	682		793	793	
Scientific, therapeutic and technical staff	298	275	23	340	318	22
Social care staff	2	2		2	2	
Other - includes agency and bank	355		355	356		356
<b>Total</b>	<b>2,651</b>	<b>2,252</b>	<b>399</b>	<b>2,970</b>	<b>2,584</b>	<b>386</b>

### 8 Retirements due to ill-health

During 2016/17 there were 4 (6 in 2015/16) early retirements from the Trust agreed on the grounds of ill-health. The estimated additional pension liability of this ill-health retirement will be £183k (£292k in 2015/16). The cost of this ill-health retirement will be borne by the NHS Business Services Authority - Pensions Division.

### 9 Better Payment Practice Code

	Year Ended 31 March 2017		Year Ended 31 March 2016	
	Number	£000	Number	£000
Total Non-NHS trade invoices paid in the year	22,387	69,939	25,669	51,179
Total Non-NHS trade invoices paid within target	21,245	68,213	21,920	47,739
Percentage of Non-NHS trade invoices paid within target	95%	98%	85%	93%
Total NHS trade invoices paid in the year	1,141	7,278	1,444	9,688
Total NHS trade invoices paid within target	1,064	7,086	1,347	9,041
Percentage of NHS trade invoices paid within target	93%	97%	93%	93%

The Better Payment Practice Code requires the Trust to aim to pay all undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later.

## Notes to the accounts

### 10 Finance Income

	Year ended 31 March 2017 £000	Year ended 31 March 2016 £000
Bank accounts	130	200
<b>Total</b>	<b>130</b>	<b>200</b>

This figure includes accrued interest of £5k (2015/16 £2k).

### 11 Other gains and losses

	Year ended 31 March 2017 £000	Year ended 31 March 2016 £000
Loss on disposal of intangible assets		
Gain on disposal of property, plant and equipment		1
Loss on disposal of property, plant and equipment		(35)
<b>Total</b>		<b>(34)</b>

There were no disposal gains/losses in 2016/17.

### 12 Finance costs

	Year ended 31 March 2017 £000	Year ended 31 March 2016 £000
Interest on obligations under finance leases		22
Interest on obligations under PFI contracts:		
- main finance cost	2,056	2,170
- contingent finance cost	1,874	1,803
Other interest expense		
<b>Total</b>	<b>3,930</b>	<b>3,995</b>

### 13 Intangible assets

	Computer software - purchased £000		Computer software - purchased £000
<b>2016/17:</b>		<b>2015/16:</b>	
Gross valuation at 1 April 2016	601	Gross valuation at 1 April 2015	394
Additions purchased	282	Additions purchased	63
Disposals other than by sale	(165)	Disposals other than by sale	(2)
Impairments	(25)	Impairments	
Reclassifications	127	Reclassifications	44
Revaluation/indexation	(151)	Revaluation/indexation	102
<b>Gross valuation at 31 March 2017</b>	<b>669</b>	<b>Gross valuation at 31 March 2016</b>	<b>601</b>
Accumulated amortisation at 1 April 2016	209	Accumulated amortisation at 1 April 2015	98
Disposals other than by sale	(165)	Disposals other than by sale	(2)
Revaluation	(177)	Revaluation	(7)
Impairments	32	Impairments	3
Charged during the year	141	Charged during the year	117
<b>Accumulated amortisation at 31 March 2017</b>	<b>40</b>	<b>Accumulated amortisation at 31 March 2016</b>	<b>209</b>
<b>Net book value</b>		<b>Net book value</b>	
Purchased	629	Purchased	392
<b>Total at 31 March 2017</b>	<b>629</b>	<b>Total at 31 March 2016</b>	<b>392</b>

Purchased computer software licences are capitalised as intangible fixed assets where expenditure of at least £5k is incurred. They are amortised over the shorter of the term of the licence and their useful economic lives, currently between 3 and 10 years depending on the software licence. The remaining economic life is assessed each year.

Quotations were sought in 2016/17 for the software licences and this led to an impairment charge to operating expenses of £32k (impairment charge of £3k in 2015/16).

## Notes to the accounts

### 14 Property, plant and equipment

	Land	Buildings excluding dwellings	Assets under construct and payments on account	Plant and machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
<b>2016/17:</b>								
Cost or valuation at 1 April 2016	2,935	43,071	920	894	373	5,118	803	54,114
Additions purchased			2,502	12		595	88	3,197
Additions donated								
Reclassifications		1,741	(2,721)			853		(127)
Reclassified as held for sale								
Disposals				(10)	(9)	(84)	(75)	(178)
Revaluation/indexation (losses)/gains		(1,003)		14	4		7	(978)
Impairments		(4)						(4)
Reversal of Impairments			11					11
<b>At 31 March 2017</b>	<b>2,935</b>	<b>43,805</b>	<b>712</b>	<b>910</b>	<b>368</b>	<b>6,482</b>	<b>823</b>	<b>56,035</b>
Accumulated depreciation at 1 April 2016		217		755	294	3,108	588	4,962
Disposals				(10)	(9)	(84)	(75)	(178)
Reclassified as held for sale								
Revaluation/indexation (losses)/gains		(2,595)		12	3		5	(2,575)
Impairments		62						62
Reversal of Impairments		(435)						(435)
Charged during the year		2,969		50	21	857	43	3,940
<b>Accumulated depreciation at 31 March 2017</b>		<b>218</b>		<b>807</b>	<b>309</b>	<b>3,881</b>	<b>561</b>	<b>5,776</b>
<b>Net book value</b>								
<b>Total at 31 March 2017</b>	<b>2,935</b>	<b>43,587</b>	<b>712</b>	<b>103</b>	<b>59</b>	<b>2,601</b>	<b>262</b>	<b>50,259</b>
<b>Asset financing</b>								
Owned	2,935	25,504	712	103	59	2,601	262	32,176
PFI		18,066						18,066
Donated		17						17
<b>Total at 31 March 2017</b>	<b>2,935</b>	<b>43,587</b>	<b>712</b>	<b>103</b>	<b>59</b>	<b>2,601</b>	<b>262</b>	<b>50,259</b>

The latest revaluation of land and buildings was carried out by the Valuation Office with an effective date of 31 March 2017.

Specialist land and buildings in operational use are valued at Depreciated Replacement Cost (DRC), using a Modern Equivalent Asset basis (MEA). The MEA basis includes consideration of modern building techniques, occupancy rates and service delivery output.

Non specialist land and buildings in operational use are valued at open market value, assuming existing use.

The Foundation Trust's property, plant and equipment are held for service delivery, rather than for cash generating purposes. Consequently, in accordance with the DH GAM, the "value in use" is assumed to be at least equal to the cost of replacing the service potential provided by the asset unless there has been a reduction in service potential. When measuring impairments, the recoverable amount for operational properties is considered to be the value in use rather than the "fair value less costs to sell".

There are no restrictions imposed on the use of donated assets.

Notes to the accounts - 14. Property, plant and equipment (continued)

14.1 Property, plant and equipment - prior year

	Land	Buildings excluding dwellings	Assets under construct and payments on account	Plant and machinery	Transport equipment	Information technology	Furniture & fittings	Total
2015/16:	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2015	2,970	43,522	1,154	874	433	7,067	946	56,966
Transfers by absorption						(535)		(535)
Additions purchased			1,362	9		452	(1)	1,822
Additions donated								
Reclassifications		1,422	(1,593)			127		(44)
Reclassified as held for sale								
Disposals		(891)			(55)	(1,993)	(139)	(3,078)
Revaluation/indexation (losses)/gains	(35)	(975)		11	(5)		(3)	(1,007)
Impairments		(7)	(3)					(10)
Reversal of Impairments								
<b>At 31 March 2016</b>	<b>2,935</b>	<b>43,071</b>	<b>920</b>	<b>894</b>	<b>373</b>	<b>5,118</b>	<b>803</b>	<b>54,114</b>
Accumulated depreciation at 1 April 2015		259		689	318	4,366	668	6,300
Transfers by absorption						(159)		(159)
Disposals		(44)			(46)	(1,983)	(121)	(2,194)
Reclassified as held for sale								
Revaluation/indexation (losses)/gains		(2,737)		9	(4)		(2)	(2,734)
Impairments		643						643
Reversal of Impairments		(750)						(750)
Charged during the year		2,846		57	26	884	43	3,856
<b>Accumulated depreciation at 31 March 2016</b>		<b>217</b>		<b>755</b>	<b>294</b>	<b>3,108</b>	<b>588</b>	<b>4,962</b>
<b>Net book value</b>								
<b>Total at 31 March 2016</b>	<b>2,935</b>	<b>42,854</b>	<b>920</b>	<b>139</b>	<b>79</b>	<b>2,010</b>	<b>215</b>	<b>49,152</b>
<b>Asset financing</b>								
Owned	2,935	23,851	920	139	79	2,010	215	30,149
PFI		18,984						18,984
Donated		19						19
<b>Total at 31 March 2016</b>	<b>2,935</b>	<b>42,854</b>	<b>920</b>	<b>139</b>	<b>79</b>	<b>2,010</b>	<b>215</b>	<b>49,152</b>

## Notes to the accounts - 14. Property, plant and equipment (continued)

### 14.2 Classification of impairments for Parliamentary budgeting purposes

	Year ended 31 March 2017 £000	Year ended 31 March 2016 £000
Abandonment of assets in course of construction		<b>3</b>
Changes in Market Place	<b>98</b>	646
Reversals of impairments	<b>(450)</b>	(750)
<b>At 31 March</b>	<b><u>(352)</u></b>	<b><u>(101)</u></b>

### 15 Capital commitments

Contracted capital commitments at 31 March not otherwise included in these accounts:

	Year ended 31 March 2017 £000	Year ended 31 March 2016 £000
Property, plant and equipment	<b>99</b>	147
Intangibles		
<b>Total</b>	<b><u>99</u></b>	<b><u>147</u></b>

### 16 Inventories

	Year ended 31 March 2017 £000	Year ended 31 March 2016 £000
Energy, consumables and work in progress	<b>46</b>	36
<b>Total</b>	<b><u>46</u></b>	<b><u>36</u></b>
Of which held at net realisable value:	<b><u>46</u></b>	<b><u>36</u></b>

#### 16.1 Inventories recognised in expenses

	Year ended 31 March 2017 £000	Year ended 31 March 2016 £000
Inventories recognised as an expense in the year	<b>20</b>	47
<b>Total</b>	<b><u>20</u></b>	<b><u>47</u></b>

## Notes to the accounts

### 17 Trade and other receivables

	Current		Non-current	
	Year ended 31 March 2017 £000	Year ended 31 March 2016 £000	Year ended 31 March 2017 £000	Year ended 31 March 2016 £000
NHS receivables - revenue	1,557	2,824		
NHS receivables - capital		376		
Accrued Income	2,656	509		
Provision for the impairment of receivables	(410)	(85)		
Prepayments	1,310	1,019	3,937	3,616
VAT	645	337		
Other receivables	1,875	2,519		
<b>Total</b>	<b>7,632</b>	<b>7,499</b>	<b>3,937</b>	<b>3,616</b>

The majority of trade is with Clinical Commissioning Groups (CCGs), as commissioners for NHS patient care services. As CCGs are funded by Government to buy NHS patient care services, no credit scoring of them is considered necessary.

Credit scoring is not applied to other receivables

#### 17.1 Receivables past their due date but not impaired

	Year ended 31 March 2017 £000	Year ended 31 March 2016 £000
By up to three months	1,602	1,962
By three to six months	450	466
Over six months	440	395
<b>Total</b>	<b>2,492</b>	<b>2,823</b>

The Trust does not consider the above debtors, past their due date, to be impaired, based on previous trends and experience.

#### 17.2 Provision for impairment of receivables

	Year ended 31 March 2017 £000	Year ended 31 March 2016 £000
<b>Balance at 1 April</b>	<b>85</b>	<b>165</b>
Amount written off during the year	(11)	
Increase/(decrease) in receivables impaired	336	(80)
<b>Balance at 31 March</b>	<b>410</b>	<b>85</b>

The provision for impairment of receivables for the year ended 31 March 2017 has increased after taking all factors into consideration regarding the potential for recovery.

### 18 Cash and cash equivalents

	Year ended 31 March 2017 £000	Year ended 31 March 2016 £000
Balance at 1 April	45,968	46,891
Net change in year	1,769	(923)
<b>Balance at 31 March</b>	<b>47,737</b>	<b>45,968</b>
<b>Made up of</b>		
Cash with Government Banking Service	620	728
Commercial banks and cash in hand	117	240
Other current investment	47,000	45,000
<b>Cash and cash equivalents as in statement of financial position</b>	<b>47,737</b>	<b>45,968</b>
<b>Cash and cash equivalents as in statement of cash flows</b>	<b>47,737</b>	<b>45,968</b>

The other current investment is a fixed term investment for seven days at 0.18% with the National Loans Fund.

## Notes to the accounts

### 19 Non-current assets held for sale

At 31 March 2017 there are no assets held for sale (nil in 2015/16).

### 20 Trade and other payables

	Current	
	Year ended 31 March 2017 £000	Year ended 31 March 2016 £000
NHS payables	1,647	2,962
Amounts due to other related parties	34	1,409
Non NHS trade payables - capital	1,242	319
Accruals	5,812	6,403
Other	3,518	4,513
<b>Total</b>	<b>12,253</b>	<b>15,606</b>

### 21 Borrowings

	Current		Non-current	
	Year ended 31 March 2017 £000	Year ended 31 March 2016 £000	Year ended 31 March 2017 £000	Year ended 31 March 2016 £000
PFI liabilities	1,602	1,479	23,152	24,754
<b>Total</b>	<b>1,602</b>	<b>1,479</b>	<b>23,152</b>	<b>24,754</b>

### 22 Other liabilities

	Current	
	Year ended 31 March 2017 £000	Year ended 31 March 2016 £000
Deferred Income	969	1,260
<b>Total</b>	<b>969</b>	<b>1,260</b>

## Notes to the accounts

### 23 Finance lease obligations

There are no current finance leases in operation.

The previously reported finance lease arrangement for the provision of a community unit for inpatient and day care for adults with severe mental illness together with a base for a community mental health team, started in September 1998 and was contracted to end in September 2019. A break clause was invoked, which ended the agreement at the end of May 2015.

### 24 Private Finance Initiative (PFI) contracts

#### PFI schemes on-Statement of Financial Position

The PFI contract is for the provision of seven mental health units, providing a comprehensive range of mental health services. The estimated capital value of the PFI scheme is £43,778k. The first unit opened in December 2001 and the last unit opened in February 2003. The contract end date is July 2028. The Trust has the right to purchase the units at market value at the end of the contract.

More detail is provided in the PFI accounting policy in note 1.7

#### Minimum amounts payable under the contract:

Asset financing component	Gross Payments		Present value of payments	
	Year ended 31 March 2017 £000	Year ended 31 March 2016 £000	Year ended 31 March 2017 £000	Year ended 31 March 2016 £000
Not later than one year	5,409	5,338	5,207	5,138
Later than one year, not later than five years	21,638	21,351	17,512	17,280
Later than five years	28,850	33,805	16,835	19,088
Sub total	55,897	60,494	39,554	41,506
Less: finance cost attributable to future periods	(31,143)	(34,261)	(14,800)	(15,273)
<b>Total</b>	<b>24,754</b>	<b>26,233</b>	<b>24,754</b>	<b>26,233</b>

#### Services component

	Gross Payments	
	Year ended 31 March 2017 £000	Year ended 31 March 2016 £000
Not later than one year	6,367	6,283
Later than one year, not later than five years	25,467	25,130
Later than five years	33,957	39,789
<b>Total</b>	<b>65,791</b>	<b>71,202</b>

The future services amounts due as at 31 March 2017 reflect an adjustment for the RPI indexation of the unitary payment applied during 2016/17.

The amount charged to operating expenses during the year in respect of services was £6,300k (2015/16 £6,238k).

Notes to the accounts - 24. Private Finance Initiative (PFI) contracts (continued)

24.1 Analysis of amounts payable to service concession operator

	Gross Payments	
	Year ended	Year ended 31
	31 March	March 2016
	2017	2016
	£000	£000
<b>Unitary payment</b>	<b>12,973</b>	12,801
Consisting of:		
- Interest charge	2,056	2,170
- Repayment of finance lease liability	1,479	1,365
- Service element and other charges to operating expenses	6,682	6,616
- Capital lifecycle maintenance		
- Revenue lifecycle maintenance	561	542
- Contingent rent	1,874	1,803
- Addition to lifecycle prepayment	321	305
<b>Total</b>	<b>12,973</b>	<b>12,801</b>

The addition to lifecycle prepayment relates to a rent free period at the end of the contract £321k (£305k 2015/16). Service element and other charges to operating expenses includes the operating lease payments for the land element of the properties £382k (£378k 2015/16).

25 Provisions

	Current		Non-current		Total
	Year ended	Year ended	Year ended	Year ended	
	31 March	31 March	31 March	31 March	
	2017	2016	2017	2016	
	£000	£000	£000	£000	
Pensions relating to other staff	137	140	1,565	1,516	
Legal claims	86	117			
Redundancy	1,938	266			
Other	571	503	476	315	
<b>Total</b>	<b>2,732</b>	<b>1,026</b>	<b>2,041</b>	<b>1,831</b>	
	<b>Pensions relating to other staff</b>	<b>Legal claims</b>	<b>Redundancy</b>	<b>Other</b>	<b>Total</b>
	£000	£000	£000	£000	£000
At 1 April 2015	1,744	86	320	1,360	3,510
Arising during the year	68	95	369	527	1,059
Change in discount rate	(8)				(8)
Used during the year	(141)	(28)	(423)	(412)	(1,004)
Reversed unused	(30)	(36)		(657)	(723)
Unwinding of discount	23				23
At 31 March 2016	1,656	117	266	818	2,857
At 1 April 2016	1,656	117	266	818	2,857
Arising during the year	60	75	1,998	358	2,491
Change in discount rate	131				131
Used during the year	(139)	(63)	(82)	(104)	(388)
Reversed unused	(29)	(43)	(244)	(25)	(341)
Unwinding of discount	23				23
<b>At 31 March 2017</b>	<b>1,702</b>	<b>86</b>	<b>1,938</b>	<b>1,047</b>	<b>4,773</b>
<b>Expected timing of cash flows:</b>					
Between 1 April 2017 and 31 March 2018	137	86	1,938	571	2,732
Between 1 April 2018 and 31 March 2022	550			476	1,026
Thereafter	1,015				1,015
<b>TOTAL</b>	<b>1,702</b>	<b>86</b>	<b>1,938</b>	<b>1,047</b>	<b>4,773</b>

The pensions provision is in respect of employees who have taken early retirement through injury or prior to 1995. These provisions are calculated using current year payments and GAD tables as issued by the Office for National Statistics. The GAD tables provide an estimate of remaining lives, which the provision is based on. Payments made against the pensions provisions are quarterly to the NHS Business Services Authority Pensions Division. Due to the nature of the other provisions, there is no certainty regarding the timing of payments.

The legal claims provision is in respect of excess payments to NHS Litigation Authority for employers' and public liability claims. NHS Litigation Authority provides estimates of the likely outcome of the case and damages / costs to be paid. The provision is calculated based on these estimates. There is no provision relating to employment tribunals (£12k 2015/16).

£800k is included in the provisions of the NHS Litigation Authority at 31 March 2017 in respect of the clinical negligence liabilities of the Trust (31 March 2016 £615k).

Other provisions comprise the commitment placed on the Trust in ensuring it meets its obligations in respect of dilapidation costs (£519k, £458k 2015/16) and in respect of staff legal claims (£528k, £360k 2015/16).

The unwinding of discount on the provisions appears as a finance cost on the face of the Statement of Comprehensive Income.

Leeds and York Partnership NHS Foundation Trust has no expected reimbursements for any class of provision made.

## Notes to the accounts

### 26 Contingent liabilities

	Year ended 31 March 2017 £000	Year ended 31 March 2016 £000
Other	85	112
<b>Total</b>	<b>85</b>	<b>112</b>

Contingent liabilities represent excess payments not provided for on legal cases being dealt with by NHSLA, on the Trust's behalf, (primarily in respect of employer's liability - £85k in 2016/17 and £112k in 2015/16). Due to the nature of the amounts and timing of the cash flows it would be impractical to estimate the value and timings of the amounts and cash flows.

### 27 Financial Instruments

Leeds and York Partnership NHS Foundation Trust's financial assets are classified either as "loans and receivables" financial assets. All the Trust's financial liabilities are classified as "other liabilities".

Leeds and York Partnership NHS Foundation Trust undertakes active financial risk management to manage its exposure to risk, particularly credit risk and treasury risk. Similar to general risk management, financial risk management requires identifying its sources, measuring it and implementing plans to address them.

#### 27.1 Financial assets - carrying amount

	Loans and receivables £000
Receivables	6,143
Cash at bank and in hand	45,968
<b>Total at 31 March 2016</b>	<b>52,111</b>

Receivables	5,677
Cash at bank and in hand	47,737
<b>Total at 31 March 2017</b>	<b>53,414</b>

#### Ageing of over due receivables included in Financial Assets

Receivables overdue by:	
1-30 days	984
31-60 days	357
61-90 days	261
91-180 days	450
Greater than 180 days	440
	<b>2,492</b>

#### 27.2 Financial liabilities - carrying amount

	£000
Embedded derivatives	
Payables	13,657
PFI and finance lease obligations	26,233
Provisions under contract	2,857
<b>Total at 31 March 2016</b>	<b>42,747</b>

Embedded derivatives	
Payables	10,268
PFI and finance lease obligations	24,754
Provisions under contract	4,773
<b>Total at 31 March 2017</b>	<b>39,795</b>

#### 27.3 Fair values of loans and receivables and other financial liabilities

The fair value of current loans and receivables are considered to be equal to their carrying amounts. There are no non-current loans and receivables.

The fair values of current financial liabilities are considered to be equal to their carrying amounts.

## Notes to the accounts - 27. Financial instruments (continued)

### 27.4 Financial risk management

IFRS 7 requires disclosure of the role that financial instruments have had during the year in creating or changing the risks a body faces in undertaking its activities. Leeds and York Partnership NHS Foundation Trust's activities are incurred primarily under annual service agreements with local Clinical Commissioning Groups, which are financed from resources voted annually by Parliament. Consequently the Trust's financial risks are relatively small in comparison with commercial entities. The Trust does not use financial instruments to alter or hedge its risk and therefore their importance to the Trust's finances are similarly relatively low.

#### Credit risk

This is the risk that other parties may not pay amounts that are due from them to Leeds and York Partnership NHS Foundation Trust. The majority of the Trust's income comes from contracts with other public sector bodies, however, and therefore the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2017 are in receivables from customers, as disclosed in the Trade and other receivables note.

Leeds and York Partnership NHS Foundation Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's Standing Financial Instructions and policies agreed by the Board of Directors. The Trust mitigates the risks surrounding treasury management by investing in low risk banks/government backed investors. Trust treasury activity is subject to review by the Trust's internal auditors.

#### Liquidity risk

Leeds and York Partnership NHS Foundation Trust's net operating costs are incurred primarily under annual service agreements with local Clinical Commissioning Groups, which are financed from resources voted annually by Parliament. Leeds and York Partnership NHS Foundation Trust also largely finances its capital expenditure from funds generated through operating surpluses. Consequently, the Trust is not considered to be exposed to significant liquidity risks (the inability of paying financial liabilities).

Leeds and York Partnership NHS Foundation Trust's main long term liability is its PFI obligation, with the contract ending in 2028. Further information on the commitments under this contract are provided in note 24.

#### Market risk

Market risk comprises three elements: foreign currency risk, interest rate risk and price risk.

#### Foreign currency risk

This is the risk that Leeds and York Partnership NHS Foundation Trust's income and expenditure could be affected materially by foreign exchange gains and losses on foreign currency transactions. However the Trust has no foreign currency income and negligible foreign currency expenditure. Consequently, exposure to currency risk is not significant.

#### Interest rate risk

This is the risk that Leeds and York Partnership NHS Foundation Trust's income and expenditure could be materially affected by changes in interest rates on financial liabilities, e.g. borrowing and financial assets. However a high percentage of the Trust's financial assets and a high percentage of its financial liabilities carry nil or fixed rates of interest. Leeds and York Partnership NHS Foundation Trust is not, therefore, exposed to significant interest-rate risk.

#### Price risk

As explained in note 24, Leeds and York Partnership NHS Foundation Trusts' annual unitary payment under its PFI scheme is subject to annual indexation in line with the RPIX. The Trust is therefore exposed to pricing risk in this regard. The annual adjustments are reflected in finance costs (contingent rent), operating expenses and property, plant and equipment additions respectively.

For 2016/17 the percentage increase in the unitary payment was 1.34%, equalling a monetary increase of £47k (1.09%, £25k in 2015/16).

The table below shows a sensitivity analysis of the impact on cash payments and on the surplus/deficit for the year if the uplift had been between 3.7% and 5.5%.

	Actual uplift at 1.34%	Uplift at 3.7%	Uplift at 5.5%
	£000	£000	£000
<b>2016/17 Uplift in unitary payment</b>			
Recognised in finance costs	(42)	84	180
Recognised in operating expenses	89	246	366
Recognised in surplus/deficit	47	330	546
<b>Net impact of sensitivities on surplus/(deficit)</b>	<b>47</b>	<b>(283)</b>	<b>(499)</b>
	Actual uplift at 1.09%	Uplift at 3.7%	Uplift at 5.5%
	£000	£000	£000
<b>2015/16 Uplift in unitary payment</b>			
Recognised in finance costs	(47)	90	185
Recognised in operating expenses	72	244	362
Recognised in surplus/deficit	25	334	547
<b>Net impact of sensitivities on surplus/(deficit)</b>	<b>25</b>	<b>(309)</b>	<b>(522)</b>

## Notes to the accounts

### 28 Related party transactions - senior employees

During the year Leeds and York Partnership NHS Foundation Trust had the following material transactions with entities which are considered related parties to senior employees (in posts of influence) of the Trust.

	Payments to Related Parties	Receipts from Related Parties	Amounts owed to Related Parties	Amounts due from Related Parties
	£000	£000	£000	£000
<b>MIND (2016/17)</b>	<b>49</b>		<b>2</b>	
<b>Royal College of Psychiatrists (2016/17)</b>	<b>16</b>			
<b>PATH Yorkshire (2016/17)</b>	<b>90</b>		<b>10</b>	
<b>Carers Leeds (2016/17)</b>		<b>149</b>		<b>6</b>
MIND (2015/16)	36	28	5	
Royal College of Psychiatrists (2015/16)	48		11	

### 28.1 Related party transactions - members of the Board of Directors

During the year Leeds and York Partnership NHS Foundation Trust had the following material transactions with entities, which are considered related parties to members of the Board of Directors of the Trust:

	Payments to Related Parties	Receipts from Related Parties	Amounts owed to Related Parties	Amounts due from Related Parties
	£000	£000	£000	£000
<b>University of Leeds (2016/17)</b>	<b>312</b>		<b>49</b>	
<b>British Telecom (2016/17)</b>	<b>14</b>			
University of Leeds (2015/16)	263	99		
British Telecom (2015/16)	8		10	

The Board Member who declared an interest with Leeds University has now left the organisation

In 2016/17, the Trust had £3k of related party transactions with its charitable fund (2015/16 £3k).

### 28.2 Related party transactions - commitments (year ended 31/3/2018)

	Income £000
Leeds Clinical Commissioning Groups	93,518
NHS England	24,628
	<u>118,146</u>

These commitments are material transactions relating to NHS bodies.

The Trust has no expenditure commitments with related parties for the year ending 31 March 2018.

## Notes to the accounts - 28. Related party transactions (continued)

### 28.3 Related party transactions - UK Government ultimate parent

During the year Leeds and York Partnership NHS Foundation Trust had a significant number of material transactions with entities for which the UK Government is the ultimate parent, and so has control of. The entities with material transactions (income/expenditure over £500k and receivables/payables over £100k) are listed below:

	Income		Expenditure	
	Year ended 31 March 2017 £000	Year ended 31 March 2016 £000	Year ended 31 March 2017 £000	Year ended 31 March 2016 £000
NHS England	27,645	24,540	4	7
NHS Scarborough and Ryedale CCG	74	560		
NHS Vale of York CCG	162	15,338		
NHS Leeds North CCG	22,615	23,460	51	14
NHS Leeds South and East CCG	35,264	34,943	25	
NHS Leeds West CCG	37,009	36,485		
Leeds Teaching Hospitals NHS Trust	264	229	3,612	3,477
Leeds Community Healthcare	2,239	2,183	118	80
South West Yorkshire Partnerships NHS Foundation Trust	575	651	293	358
York Teaching Hospitals NHS Foundation Trust	113	261	162	477
Tees, Esk & Wear Valleys NHS Foundation Trust	869	1,005	311	387
Health Education England	6,305	6,708	15	1
NHS Property Services		176	897	2,234
Department of Health	609	260		
HM Revenue and Customs (Employers NI only)			7,581	6,738
NHS Pensions Agency (Employers contribution)			10,405	11,819
Leeds City Council	175	1,455	595	700
<b>Total</b>	<b>133,918</b>	<b>148,254</b>	<b>24,069</b>	<b>26,292</b>

	Receivables		Payables	
	Year ended 31 March 2017 £000	Year ended 31 March 2016 £000	Year ended 31 March 2017 £000	Year ended 31 March 2016 £000
NHS England	2,008	363	90	360
NHS Scarborough and Ryedale CCG	382	309		
NHS Leeds North CCG	24	624	4	18
Leeds Teaching Hospitals NHS Trust	77	131	490	590
Leeds Community Healthcare	203	144	46	12
Central Manchester University Hospitals NHS Foundation Trust		6	139	37
York Teaching Hospitals NHS Foundation Trust	18	49	129	192
Tees, Esk & Wear Valleys NHS Foundation Trust	87	823	133	114
Health Education England	158	146	54	52
NHS Property Services			155	1,002
Department of Health	61	57		
HM Revenue and Customs	645	337	1,985	1,949
NHS Pensions Agency (Employee and Employers contribution)			34	1,409
Leeds City Council	110	141	48	170
<b>Total</b>	<b>3,773</b>	<b>3,130</b>	<b>3,307</b>	<b>5,906</b>

### 29 Intra-Government and other balances

	Current	Non-current	Current	Non-current
	receivables £000	receivables £000	payables £000	payables £000
Balances with other Central Government bodies	645		2,019	
Balances with Local Authorities	137		49	
Balances with NHS bodies	3,922		1,645	
<b>Intra Government balances</b>	<b>4,704</b>		<b>3,713</b>	
Balances with bodies external to Government	2,928	3,937	8,540	
<b>At 31 March 2017</b>	<b>7,632</b>	<b>3,937</b>	<b>12,253</b>	
Balances with other Central Government bodies	337		3,358	
Balances with Local Authorities	141		170	
Balances with NHS bodies	3,486		2,962	
<b>Intra Government balances</b>	<b>3,964</b>		<b>6,490</b>	
Balances with bodies external to Government	3,535	3,616	9,116	
<b>At 31 March 2016</b>	<b>7,499</b>	<b>3,616</b>	<b>15,606</b>	

## Notes to the accounts

### 30 Third party assets

The Trust held £226k cash and cash equivalents at 31 March 2017 (£239k 2015/16), which relates to monies held on behalf of patients. This has been excluded from the cash and cash equivalents figure reported in the accounts.

### 31 Losses and special payments

There were 34 cases of losses totalling £11k (4 in 2015/16 totalling less than £0.1k) and 30 special payments totalling £50k (24 in 2015/16 totalling £45k) during the year. These amounts are reported on an accruals basis, excluding provisions for future losses.

	Number	Value £000
<b>Losses</b>		
Cash - other	4 (4)	0 (0)
Bad debts - other	30 (0)	11 (0)
<b>Total</b>	<u>34 (4)</u>	<u>11 (0)</u>
<b>Special payments</b>		
Ex-gratia - loss of personal effects	15 (14)	1 (4)
Ex-gratia - personal injury with advice	15 (8)	49 (41)
Ex-gratia - other	0 (2)	0 (0)
Special severance payments	0 (0)	0 (0)
<b>Total</b>	<u>30 (24)</u>	<u>50 (45)</u>

Figures in brackets relate to 2015/16.

### 32 Events after the reporting period

There were no events after the reporting period that had an impact on the Trust's 2016/17 accounts (2015/16: none).

### 33 Charitable Fund

	Year ended 31 March 2017 £000	Year ended 31 March 2016 £000
Income	14	6
Expenditure	(10)	(34)
Other fund movements		(56)
<b>Net movement in funds</b>	<u>4</u>	<u>(84)</u>
Current assets	119	125
Current liabilities	(2)	(12)
<b>Total Charitable Funds</b>	<u>117</u>	<u>113</u>

Other fund movements relate the fund balances linked to the transfer of services commissioned by Vale of York CCG. The 2016/17 Charitable Fund accounts have not yet been subject to independent review.



